FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 131 *6 July 1984*

ARGENTINA

FRG Chancellor Arrives on 4-Day Official Visit B 1
Caputo Greets Kohl B 1
Kohl Addresses Congress [DPA] B 1
Kohl on Area Cooperation, Debt [DPA] B 2
Alfonsin, Kohl Meet B 2
Defense Minister Installs New Army Chief B 3
Generals To Be Retired B 3
Minister Hints More Dismissals B 3
Party Leaders View Situation B 4
Arguindegui Retirement Outlined B 5
Senate Unanimously Approves Union Elections Bill B 6
[BUENOS AIRES HERALD 5 Jul]
Labor Ministry Moves To Slow Wave of Strikes B 7
[BUENOS AIRES HERALD 4 Jul]
Foreign Minister Meets World Order Members B 8
Caputo To Visit Peru, Meet With Belaunde 8 July B 8
Grinspun Says Debt Situation 'Tranquil' B 8
Grinspun Postpones Draft Budget Proposal B 8
[BUENOS AIRES HERALD 5 Jul]
Finance Secretary Discusses Taxes, Other Topics B 9
Troccoli Meets Vice President, Cuban Ambassador B 9
Military Court Fails To Meet Trial Deadline B 9

BOLIVIA

ADN Lists Questions on Siles Abduction C 1
COB Explains Reasons For Indefinite Strike C 2
Foreign Minister Talks About Economic Situation C 4
Government Hopes Worker Maturity Will Prevail C 5

BRAZIL

Reportage on Social Democratic Party Dispute D 1
Figueiredo Concerned D 1
Refuses To Coordinate Succession D 1
New PDS President Elected D 1
Other Leaders Named D 2
Demonstrators Boo Leaders D 2

CHILE

Finance Minister on BHC Agreement, Drop in Reserves E 1
Government-Courts 'Dispute' Seen Over Exiles' Return E 1
PCCh Leaders Assail New Anticommunist Law E 1
Radical Democrat President Faivovich Resigns E 2
Socialist Party Groups Hold Plenums, View AD E 2

COLOMBIA

Drug Traffickers Send Message to Betancur F 1
Supreme Court Approves Military Trials F 1
FARC General Staff Denies Truce Violation [EL SIGLO 2 Jul] F 2
'Alleged' Guerrillas Attack Helicopter F 3

PERU

Minister Wants Capital Punishment for Terrorists J 1
Shining Path Activities Reported J 1
Police Station Attacked J 1
Terrorist Hospitalized J 1
Bombings in Lima J 2
Leader Erkes Arrested J 2

URUGUAY

780 Demonstrators Detained in Maldonado K 1
Gen Rapela on Demonstration K 1
Air Force Commander Announces Political Meeting K 2
Ban on Broad Front Leader Cardozo Lifted K 2
Colorado Party Threatens Not To Dialogue K 2
Seregni Says Dialogue Will Be Stalemated K 2
Blanco Branch Wants Armed Forces 'Disbandment' K 3

VENEZUELA

Lusinchi Optimistic About Economic Recovery L 1

MEXICO

Sepulveda on Interest Rate Rise, U.S. Relations [THE NEWS 30 Jun] M 1
Silva Herzog Says Country Can Confront Crisis M 2
Comments on Cartagena Meeting M 2

PANAMA

Illueca Says Antidrug Struggle Continues [CRITICA 4 Jul] N 1
Parties To Be Eliminated in Wake of Elections [CRITICA 4 Jul] N 1

CENTRAL AMERICA

COSTA RICA

Solano on Nicaraguan Diplomat Returned to Managua P 1
President Accepts Labor Minister's Resignation P 1
Mora Valverde on PVP Leadership, 'Reagan Doctrine' [LIBERTAD 22-28 Jun] P 1
LIBERTAD Editorial Criticizes U.S. 'Meddling' [22-28 Jun] P 2

EL SALVADOR

Former Policeman Accused in U.S. Citizens' Murder [EL DIARIO DE HOY 4 Jul] P 3
Radio YSKL: FMLN Guerrillas Said To Obtain SAM's P 4
Radio Reports on Guerrillas' 3 July Operations P 4

RN-FARN Communique Denies COPREFA Charges [EL MUNDO 29 Jun] P 5
Farabundo Marti Denies FMLN Purchased SAM's P 6
National Resistance Communique on Activities [Farabundo Marti] P 6

GUATEMALA

PDC Maintains Lead With 95 Percent of Votes Counted P 8
PDC Leader on Military in Politics, 'Victory' P 9
Election Results, Future Constitution Viewed P 9
URD Leaders Deny Democracy Exists in Country [PRENSA LIBRE 5 Jul] P 10

HONDURAS

Paz Barnica on Contras' Punishment, U.S. Treaties P 11
Army Patrol, EPS Troops Clash in La Canoa P 11

NICARAGUA

D. Ortega Sends Message to U.S. People, Congress P 12
Diplomat's Detention in Costa Rica Protested P 13
Security Chief on CIA 'Black Moon' Operation P 13
Culture Minister: Ship's Cargo Intended for Contras P 14
Foreign Trade Minister Visits Iran, Meets Officials P 14
[cross-reference]
FSLN's Flores Ortiz on Electoral Law Reform Bill P 14
CSE Official on Measures To Prevent Fraud P 15
'Trotskiyite' Party Aide on Request for Legal Status P 16
Voice of Sandino Reports on ARDE Activities P 16
'Heavy Fighting' in Central Zelaya P 16
Attack on EPS Post P 17
Radio 15 September Cited on Latest FDN Actions P 17

CUBA

National Assembly 6th Regular Session Opens Q 1
Castro Remarks Q 1
Flavio Bravo Pardo Speaks Q 1
Mexican Political Parties Delegation Arrives Q 2
CIA Preparing New Actions Against Nicaragua Q 2
Nicaraguan Commander Cited on Military Training Q 3
Nicaragua's Ramirez Discusses Foreign Debt Issue Q 3
Report on Activities of Peru's Shining Path Q 4
26 March Representative on Uruguayan Situation Q 5
COB General Strike Paralyzes Bolivia Q 6
Nicaragua's D. Ortega Sends Message to U.S. Q 6

CARIBBEAN

Caricom Grants Observer Status to 3 Nations S 1
Caricom Trade Ministers Fail To Reach Consensus S 2
Caricom Finance Ministers Meet on Reviving Trade S 2
Adderley Raps U.S. at Caricom Ministers Meeting S 3
Pindling Offers Views on Cooperation With Caricom S 4

SURINAME

Talks Continue on Conditions for IMF Loan U 1
Bouterse Seeks To Heighten Nicaragua Ties U 1
2-Day Hydroenergy Resources Seminar Concludes U 1

OTHER COUNTRIES

ECUADOR

Energy Minister on Oil-Producing Nations' Policy V 1
Departs for OPEC Meeting V 1

PARAGUAY

7 July MOPOCO Plenum Not Authorized by Government V 1
[ULTIMA HORA 5 Jul]

FRG CHANCELLOR ARRIVES ON 4-DAY OFFICIAL VISIT

PY042135 Buenos Aires TELAM in Spanish 2109 GMT 4 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- FRG Chancellor Helmut Kohl today arrived at Ezeiza International Airport shortly before 1800 [2100 GMT] on a 4-day official visit to our country. Kohl will hold a number of meetings with President Raul Alfonsin and congressional officials.

Kohl, who was welcomed by Argentine Foreign Minister Dante Caputo and other Foreign Ministry officials, will meet with Alfonsin tomorrow at Government House and Friday at the Olivos presidential residence.

Caputo Greets Kohl

PY050230 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2340 GMT 4 Jul 84

[Text] Buenos Aires, 4 Jul (NA) -- Foreign Minister Dante Caputo has said that he will discuss "problems not only related to the debt problem between the two countries but the overall international debt situation" with FRG Chancellor Helmut Kohl. Caputo welcomed Kohl at Ezeiza International Airport at 1750 this afternoon.

In brief remarks he made at the airport when asked about the significance he attaches to Kolh's visit, Caputo said that "the significance the FRG has among the leading world countries will be instrumental in bringing our two countries closer together."

Caputo noted that FRG Foreign Minister Hans Genscher had visited the country earlier. "This is another sign of the interest the international community has in Argentina. Thi visit is of course significant because of the issues that will be discussed," he said.

Regarding the fact that the FRG is a major creditor of Argentina, Caputo said: "In fact there is no doubt that within the framework of our bilateral relations we will discuss problems not only related to the debt problem between the two countries but the overall international debt situation, which is a matter of concern for both Argentina and the FRG."

Kohl Addresses Congress

LD051505 Hamburg DPA in German 1352 GMT 5 Jul 84

[Text] Buenos Aires, 5 Jul (DPA) -- Federal Chancellor Helmut Kohl on Thursday afternoon in Buenos Aires called for new strategies to fight the causes of the Third World countries' debt problem. He was making a speech to both houses of the Argentine Congress. "The current reschedulings," Kohl said, "are only to gain time; they are only a response to symptons and do not go to the root of the evil."

In his speech, which was attentively received, besides structural adjustment measures by the debtor countries and continued talks with the lending banks, Kohl demanded a lowering of the international level of interest rates and this improved conditions for the flow of new credits, a more open market for Latin American products, the consolidation of short-term debts by longer-term rescheduling agreements as well as the continuation of the programs of the IMF, the World Bank, and regional development banks.

In his 30-minute speech Kohl earlier emphasized that the FRG has a vital interest in the stability and peaceful development of Latin America. It is the first time since the foundation of the German Reich in 1871 that a German chancellor is visiting Argentina, and this visit is taking place under particularly auspicious circumstances: "You in Argentina and we in the FRG are living in states governed by the rule of law which offer their citizens freedom and the chance to develop their abilities, which secure the validity of human rights and give protection from interference."

Argentina can be, in the view of the chancellor, a model in its return to democracy and influence the further development of Latin America as a whole. Speaking on the Falklands conflict Kohl outlined Bonn's position with the words: "My government holds the view that a lasting peace in the South Atlantic can only be achieved if an agreement is reached which takes account of the interests of all those involved. This can only happen by negotiation. The federal government will continue to work with all its strength that this comes about."

Kohl on Area Cooperation, Debt

LD052235 Hamburg DPA in German 2153 GMT 5 Jul 84

[Excerpts] Buenos Aires, 5 Jul (DPA) -- Federal Chancellor Helmut Kohl on Thursday night welcomed Argentina's efforts at Latin American integration. Argentine President Raul Alfonsin had referred to this as one of the main objectives of his foreign policy at a banquet given in honor of Kohl. Kohl said: "All your government's steps aimed at regional cooperation as strong and comprehensive as possible on this continent can count on our unreserved support."

Referring once more to the debt problem, Kohl expressed his conviction that through dialogue and cooperation ways and means for Argentina's economic stabilization could be found: "In this important area we will remember the traditional friendship characterizing the close relations between our two countries." The federal chancellor ended his toast with the wish that even the present generation might see a united Latin America next to a united Europe.

Alfonsin, Kohl Meet

PY060050 Buenos Aires TELAM in Spanish 2245 GMT 5 Jul 84

[Text] Buenos Aires, 5 Jul (TELAM) -- President Raul Alfonsin and FRG Chancellor Helmut Kohl today reviewed bilateral relations during the first formal meeting to be held during the 4-day official visit that this high-ranking foreign official is making to Argentina. Alfonsin and Kohl met for 1 hour in the presidential office at Government House. Foreign Minister Dante Caputo, FRG Ambassador to Buenos Aires Paul Verbeek, and Argentine Ambassador to the FRG Roberto Guyer participated.

Following the meeting, Alfonsin and Kohl went to the White Room, where they were greeted by the diplomatic corps that is accredited to the Argentine Government.

Meanwhile, FRG Secretary of State for Foreign Affairs Andreas Meter Landrut, who is a member of Kohl's entourage, today made a courtesy call on Dante Caputo, the head of San Martin Palace. The German official visited the Foreign Ministry after Kohl was introduced to the diplomatic corps at Government House.

Meter Landrut and the officials of the FRG Embassy who accompanied him emphasized that the meeting was exclusively of a protocol nature, but is quite possible that the visitor talked with Foreign Minister Dante Caputo about some of the topics that are linked to the business that Kohl is carrying out in Buenos Aires, especially the foreign debt, because the FRG is Argentina's largest creditor among the EEC nations.

DEFENSE MINISTER INSTALLS NEW ARMY CHIEF

PY051710 Buenos Aires TELAM in Spanish 1634 GMT 5 Jul 84

[Text] Buenos Aires, 5 Jul (TELAM) -- Today Brigadier General Ricardo Augusto Pianta, the new Army chief of staff, emphasized his responsibility and commitment to the institution and the people to definitely achieve the integration of the Armed Forces. He made these remarks today upon assuming his new position replacing General Jorge Hugo Arguindegui, who yesterday submitted a request for retirement to Defense Minister Raul Borras. The installment ceremony was headed by the defense minister in the sports arena of the Patricios Infantry Regiment in Palermo.

The ceremony was also attended by Defense Under Secretaries Horacio Jaunarena and Raul Tomas; General Julio Fernandez Torres, head of the Joint Chiefs of Staff; Navy Chief of Staff Rear Admiral Raomn Arosa; Air Force Chief of Staff General Teodoro Waldner; Army Chaplin Msgr Jose Miguel Medina; Antonio Berhongaray, president of the Senate Defense Committee; Balbino Zubiri, president of the Chamber of Deputies Defense Committe and other officials.

The ceremony began with a military review by Defense Minister Borras and General Pianta and the playing of the national anthem by the Patricios Regiment band. Lieutenant Colonel Carlos Sacco, Minister Borras' aide, read the decree appointing General Pianta and then the defense minister gave the order: Take over.

General Pianta reiterated the country's desire to see the integration of the Armed Force calling upon his subordiantes to fulfill their mission with total dedication. He emphasized that the institution comes first and men second. In conclusion, General Pianta asked for the traditional call for subordination and valor, which was responded to with the oath: To Defend the Fatherland.

Generals To Be Retired

PY051533 Buenos Aires TELAM in Spanish 0453 GMT 5 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- Generals Eduardo Capanegra and Mario Camissa, both of the Engineering Corps, will be retired, according to Defense Ministry sources. The two generals, who are members of the board of directors of Military Industries, were still attending some meetings in the Defense Ministry at 0130 5 July.

Minister Hints More Dismissals

PY060220 Buenos Aires TELAM in Spanish 2351 GMT 5 Jul 84

[Text] Buenos Aires, 5 Jul (TELAM) -- Defense Minister Raul Borras tonight at Government House said that the situation involving the Army High Command has been solved However, he noted that yesterday's events will have to be repeated as part of the democratic transition process.

Borras, who unexpectedly met with President Alfonsin today, announced that General Braulio Sanchez Avalos, who held the post of Army inspector general, has requested retirement because he has more seniority than the current Army commander, General Pianta.

Party Leaders View Situation

PY052210 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1827 GMT 5 Jul 84

[Text] Buenos Aires, 5 Jul (NA) -- Leaders of different political parties today agreed that President Raul Alfonsin "reaffirmed his authority" as commander in chief of the Armed Forces by ordering the replacement of the Army chief of staff and the III Corps commander. It is almost unanimously agreed that the military crisis has been overcome and that the event was part of a "logical process of adaptation by the Armed Forces to the democratic transition."

Radical Senator Antonio Berhongaray, chairman of the Senate Defense Committee, said that "there are people who have not yet realized that decisions in our country are made by the civilian authorities." He added that the replacements "have categorically confirmed that President Alfonsin makes the final decision in military affairs, regardless of the trends or inclinations that may prevail within the Armed Forces." He stressed that "today, more than ever before, it is clear that the only visible head of the Armed Forces structure is the president, who exercises power and authority." Berhongaray said that the critis within the Army "is an event that can happen even under a constitutional government, and just as it occurred in that sector of the Armed Forces, something similar may happen in a province or a ministry in the future."

Radical Senator Adolfo Gass, chairman of the Foreign Relations Committee, said that the outcome of the crisis within the Army "has reaffirmed the authority of President Raul Alfonsin, who is the Armed Forces commander in chief." Gass said he is "totally convinced that the crisis has been overcome," although he admitted that it "shocked our country, even though we are accustomed to that sort of trouble and to the fact that the Army or the Armed Forces have handled not only their own affairs but those of the country as well."

Radical Senator Luis Leon allueded to the possibility of a coup by saying that "the jungle will not reappear." He added that he will continue to insist that "politicians and civilians should act as statesmen and the military as liberators."

Justicialist Deputy Julio Barbaro said that what happened is "quite similar" to the abduction of Bolivian President Hernan Siles Zuazo. "We did not believe that the Army would adapt itself to democracy at no expense," he remarked. "The Armed Forces must recognize that history will never again return to them the possibility of staging a coup," he declared.

Jose Luis Manzano, the vice president of the Justicialist bloc in the lower house, stressed the importance of the authority of the president who, in his capacity as Armed Forces commander in chief, can make decisions affecting the Armed Forces. He said he is confident that the decision to order the retirement of the two generals "was not based on wrong judgment." Manzano pointed out that his bloc "respects the functioning of institutions" as set forth in the Constitution and that, therefore, the exercise of constitutional powers should not draw anyone's special attention.

Radical Deputy Balbino Zubiri said he did not believe that "anyone even tried to jeopardize the constitutional stability, much less to interrupt the democratic process."

"I believe it was a problem among persons or groups who, obviously, do not include the entire Army," he added.

Special envoy Hipolito Solari Irigoyen, who today returned from Lisbon where he attended a colloquium on democracy, said that "when the president makes decisions in his capaicity as Armed Forces commander in chief, he is reaffirming the constitutional power in which all Argentines have a stake."

Arguindegui Retirement Outlined

PY060016 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2005 GMT 5 Jul 84

[Special commentary for NOTICIAS ARGENTINAS by Carlos Fernandez: "Why Arguindegui Retired"]

[Excerpts] Buenos Aires, 5 Jul -- Neither the now former Chief of Staff of the Army General Jorge Arguindegui nor his aides, would have believed on Wednesday afternoon that a few hours later the government would terminate the career of the first officer to lead that force in the democratic era. However, it is being said that Arguindegui had received indications that Defense Minister Raul Borras "had switched the light to yellow regarding his person." But, as his aides acknowledge, the then chief of the Army was confident that his political pull "would give him leverage" and prevent the situation from reaching a disagreeable end for himself.

Arguindegui understood that with half the year gone the time had arrived to begin consolidating his leadership in the Army and for this reason -- his friends stress -- he informed Borras of the need to expand his internal scope and that the infighting with the unruly wing had to be resolved in his favor. Thus he informed the minister that a group of high-ranking officers was placing obstacles in his way and he requested that they be retired.

At the beginning Borras was inclined to grant Arguindegui's request, but by putting it into context with the current political situation. Thus, General Pedro Pablo Mansilla, the then commander of the III Corps -- based in Cordoba -- would be the only officer to be retired as a consequence of Arguindegui's concerns. It is true that the ire of the government was already dangling over Mansilla's head.

Approximately 2 months ago Borras called Mansilla into his office as a consequence of a disagreement between Mansilla and the National Commission on the Disappearance of Persons "to make the rules of the game clear to him," according to Defense Ministry sources.

Although the minister's words had an immediate effect, with the passing of time they seem to have been forgotten and reports on the unruly behavior of the now former commander of the III Corps piled up on Borras' desk. In other words, both Borras and Arguindegui were concerned about Mansilla; therefore, from the very beginning of this espisode Borras decided to retire Mansilla -- together with Military Engineers Camissa and Capanegra -- in order to defuse the situation, impose his authority, and demonstrate to Arguindegui, through this gesture, that he was answering his concerns.

The former Army chief of staff did not seem to agree with Borras' solution. The reports indicate that he considered that it was a betwixt and between decision that could not be considered decisive. And he persisted in his demands: "If we want a new Army that is adjusted to democracy then I must be able to make decisions and have a calm atmosphere," he presumably said.

At this time the minister and his closest aides had come to understand that Arguindegui seemed "more decided to kick the problems upstairs than to resolve them." The peak of this problem was marked by the meeting between Arguindegui and Mansilla that was held toward the end of last week. Arguindegui asked for Mansilla's retirement during the meeting. Mansilla answered that Arguindegui in accordance with the new regulations, could not retire him, because only the defense minister had the power to call for it. Let him ask me for it, or, if not, replace me, Mansilla said.

When the problem was brought to Borras, he considered that the situation had reached such a point that it could not be handled by Arguindegui, according to Defense Ministry sources. This was really the main point in the decisive talk between Borras and Arguindegui, which ended with the latter going into retirement.

"It is not that I cannot, it is a question of the new regulations and the guidelines handed down by the government that do not give me the leverage," Arguindegui presumably said.

Borras rebutted: "You have to take into account that the current political moment is delicate, it is being pressured by your demands, and this can become a danger for the democratic institutions."

"So you consider that the most appropriate thing to do is to ask for my retirement."

I accept it, was the laconic answer of Borras, who had already talked with Alfonsin about this possibility a few minutes after the president returned from Cordoba.

Thus Arguindegui's leadership was terminated in the office that is located on the 9th floor [of the Defense Ministry].

It will be known in the short term whether the existing internal infighting in the Army between the nationalists and the liberals has been resolved. But there are politicians and members of the military that insist that the difficulties have really only just begun.

SENATE UNANIMOUSLY APPROVES UNION ELECTIONS BILL

PY060104 Buenos Aires BUENOS AIRES HERALD in English 5 Jul 84 p 1

[Text] The Senate last night unanimously and without modifications passed President Raul Alfonsin's union elections bill. However, the draft law suspending for 180 days legislation barring unions from managing workers' social welfare funds (obras sociales) ran into Radical Party opposition before being passed by majority.

The unified General Confederation of Labour (CGT), meanwhile, issued a statement blasting the "massive tariff hikes" and the "meagre" 12-percent wage hike for private sector workers announced on Tuesday by the government.

Secretary-general Saul Ubaldini said the official decision endangers the "socio-economic contract" being worked out among labour, business, and the government. "Decent wages and reasonable prices within an expanding economy and full employment are the demands of the hour," the CGT said.

The four national CGT secretaries-general nonetheless met last night with Labour Secretary Roberto Bigatti to discuss ways of reaching the tripartite agreement. Under the government proposals, union leaders would be given advisory and political decision-making status, union sources said.

Senate passage of the union elections bill means that only the president's signature is needed before labour polls are called. Once the bill becomes law over 700 unions will be required to hold factory-level and federation elections within 90 days.

Senate discussion of the bill suspending Articles nine and 40 of the military-decreed Law 22.105 revealed new Radical Party divisions as Senator Fernando de la Rua voted against the proposal while three other Radicals failed to show up for the vote-count.

LABOR MINISTRY MOVES TO SLOW WAVE OF STRIKES

PY051110 Buenos Aires BUENOS AIRES HERALD in English 4 Jul 84 p 1

[Text] (DYN-NA) -- The Labour Ministry notched several victories on the strike front yesterday as bank clerks and textile workers postponed stoppages set for today, while long distance bus drivers considered ending threats to walk out over the winter holidays after nearing a wage accord with bus owners.

The Labour Ministry also announced late last night it would intervene in the university employees wage dispute. As a result, university employees union leaders were reported to have called off all strike action at universities throughout the country as from last night.

During a meeting with union and bank officials in Buenos Aires, Labour Minister Juan Manuel Casella yesterday persuaded the union to postpone the four-hour stoppages planned for today and tomorrow. Unionists agreed to continue the talks for another week.

A similar decision was taken by the Textile Workers Union (AOT) after a meeting with company officials and Labour Under-Secretary Adrian Larralde. The AOT had scheduled a 24-hour walk-out by its 100,000 members.

Transport Union (UTA) leader Rene Azar also met with Casella yesterday, saying after the meeting that long distance bus drivers would almost certainly lift strike threats since bus owners were within $al64 [pesos] of the union's wage demands.

Yesterday was the third day of the university employees federation's (FATUN) originally scheduled 20-day stoppage. The Buenos Aires University Employees' Union (APUBA) began a 72-hour stoppage but were reported to have called it off after the Labour Ministry announcement. In Santa Fe, university President Benjamin Stubrin complained of unknown assailants breaking into his office and hosing it down with a fire extinguisher.

The unified General Confederation of Labour (CGT) meanwhile called on the government to "immediately draft an economic programme." The CGT is scheduled to meet with Labour Secretary Roberto Bigatti at 6 p.m. today to discuss the "socioeconomic contract."

In Neuquen, the 600 provincial policemen holed up in an officer's school completed their seventh day of a strike by lowering their wage demands to a 50-percent pay hike. Deputy Police Chief Jose Arriagada handed in his resignation as a result of the wage dispute while there was mounting pressure on Police Chief Felipe Asuncion to do the same. The protestors accused Arriagada and other high-ranking officers of having instigated the strike to get the central government to grant Neuquen more funds and then of having backed out at the last minute.

In a fresh labour development, the 10,000 workers in the manufacturing branch of the paper industry are expected to strike today to demand a 55-percent pay hike.

FOREIGN MINISTER MEETS WORLD ORDER MEMBERS

PY030213 Buenos Aires TELAM in Spanish 2223 GMT 2 Jul 84

[Excerpt] Buenos Aires, 2 Jul (TELAM) -- Foreign Minister Dante Caputo this afternoon received some members of the Parliamentarians Organization for a World Order, a non-governmental organization which supported the 22 May initiative in favor of peace and disarmament by the presidents of Argentina, Mexico, and Tanzania, and the prime ministers of India, Sweden, and Greece. The group was composed of Mexican Senator Silvia Hernandez; Nicholas Dunlop of New Zealand, who is the organization's secretary general; and Democrat Representative Thomas J. Downey of New York. They arrived in the country this morning and were invited to lunch by Ambassador Elsa Kelly. They talked with Minister Caputo for more than 30 minutes.

CAPUTO TO VISIT PERU, MEET WITH BELAUNDE 8 JULY

PY050145 Buenos Aires TELAM in Spanish 2326 GMT 4 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- Foreign Minister Dante Caputo tonight reported that he will travel to Lima, Peru, on 8 July to meet Peruvian President Fernando Belaunde Terry and to discuss current international issues, especially the foreign debt problem of Latin American countries. Caputo said that he will also meet his Peruvian counterpart, Sandro Mariategui, the presidents of the Chamber of Deputies and the Senate, and Economy Minister Jose Benavides. He will return to Buenos Aires on Tuesday, 10 July.

GRINSPUN SAYS DEBT SITUATION 'TRANQUIL'

PY051935 Buenos Aires DYN in Spanish 1800 GMT 5 Jul 84

[Text] Buenos Aires, 5 Jul (DYN) -- Economy Minister Bernardo Grinspun has said that the Argentine foreign debt situation will be "tranquil from the next 90 days" and that the government expects to reach an agreement with the IMF. Grinspun made these remarks to the members of the FRG Chancellor Helmut Kohl's delegation headed by Volkmar Kohler, secretary of the Economic Cooperation Ministry, who met with Grinspun for approximately 2 hours at noon today.

GRINSPUN POSTPONES DRAFT BUDGET REPORT

PY060107 Buenos Aires BUENOS AIRES HERALD in English 5 Jul 84 p 3

[Text] (NA) -- At the request of Justicialist and Intransigent deputies, Economy Minister Bernardo Grinspun postponed for two weeks a report on the government's draft budget, originally scheduled for yesterday.

The minister's report was to kick off discussion of the budget bill by the Chamber of Deputies Finance and Budget Committee, but the Peronists and the Intransigents asked for more time to study the 150-page draft. Radical Ruben Rabanal, the committee's chairman, originally rejected the request, which was being pressed by Justicialist Diego Guelar, but finally gave in on Tuesday night.

Rabanal has estimated that study of the budget would take the committee about 25 days, during which other top-ranking Economy Ministry officials would be called in to explain the government bill. He said yesterday Grinspun's appearance had been postponed only a week, but the Justicialists insist they will request an additional extension.

Guelar, for his part, emphasized that the budget must fit "the guidelines of the socio-economic concert," and stated that the committee should hear opinions on the budget not only from government officials but also from the private sector. He objected to proposed cuts in funds allocated to the National Atomic Energy Commission (CNEA) and to the provinces, stressing that "more resources should be obtained by touching spots that have so far gone untouched." The deputy elaborated on the "untouched spots" by insisting on the need to promote a capital whitewash and to set a tax on unproductive land. He also advocated lower taxation for business firms, to be offset by heavier personal taxes.

FINANCE SECRETARY DISCUSSES TAXES, OTHER TOPICS

PY041816 Buenos Aires TELAM in Spanish 1553 GMT 4 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- Argentine Finance Secretary Norberto Bertaina today announced that the tax burden will increase by slightly over 4 percent this year and added that studies are under way to remove the secrecy which currently protects financial and stock market transactions. Bertaina was speaking at the Argentine Association for Fiscal Studies on the subject "The Fiscal Situation: Analysis and Prospects." He reiterated the need to reinstitute the employers' contribution to social welfare.

TROCCOLI MEETS VICE PRESIDENT, CUBAN AMBASSADOR

PY051758 Buenos Aires Domestic Service in Spanish 1600 GMT 5 Jul 84

[Text] Interior Minister Antonio Troccoli this morning met with Vice President Victor Martinez in Government House. The meeting was also attended by other officials. According to government sources, the two officials discussed matters related to the upcoming elections for Congress and the activities of the Radical Civic Union. Troccoli held a protocol meeting at noon with Cuban Ambassador Fernando Lopez Muino.

MILITARY COURT FAILS TO MEET TRIAL DEADLINE

PY040240 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2344 GMT 3 Jul 84

[Text] Buenos Aires, 3 Jul (NA) -- Unofficial sources have told NOTICIAS ARGENTINAS that the Supreme Council of the Armed Forces today informed the Federal Criminal Court of Appeals of this capital why it has not concluded, within the limit of 6 months set by the executive branch, the summary trial of the high-ranking military officers of the so-called Process for National Reorganization for alleged excesses in the fight against subversion, and it has asked for an extension.

The Federal Criminal Court of Appeals will decide whether it will ask the military court for the file so that it can continue with the investigation or whether it will extend the deadline given to the military court for handing down a decision.

The members of the three military juntas of the so-called Process for National Reorganization, Brigadier General (retired) Ramon Camps, former chief of police of Buenos Aires Province; and Vice Admiral Ruben Chamorro (retired), former director of the Navy's Mechanics School, are being tried in the case of alleged excesses during the fight against subversion. Military sources have stated that the Supreme Council will continue with the case while it awaits a Federal Court decision.

Regarding other matters, it has been reported that members of the high military court will begin a recess on 9 July that will extend until 14 July.

ADN LISTS QUESTIONS ON SILES ABDUCTION

PY052005 La Paz Cadena Panamericana in Spanish 1700 GMT 4 Jul 84

[Text] The Nationalist Democratic Action [ADN], a political organization led by Hugo Banzer Suarez, has released a document on the political events which caught the attention of the national and international community on Saturday, 30 June. The text of the document reads as follows: With the calm acquired in the time lapsed since 30 June, and in accord with the skepticism which has emerged among the Bolivian people regarding the kidnapping of the president of the Republic, the ADN voices some of the questions which, due to our civic task, must be asked and, showing respect for the nation, must be explained by the government of the UDP [Democratic and Popular Unity].

Who was the officer on duty who allowed the entrance of 6, 11, 25, or 60 uniformed men who, according to different official reports, raided the presidential residence? Who was the president's security guard, and what are the names of the 10 bodyguards in charge of protecting the president of the Republic? Who was the aide-de-camp on duty, responsible for the life of the president? [Word indistinct] to report on the irregular events to their superiors? On learning about these events, why did Army Commander General Simon Cejas Tordoya wait several hours to report about this event to the interior minister?

Which persons among his abductors has the president identified, in addition to the six persons who later kept him in Miraflores? How can it be explained that the uniformed abductors later handed over a hostage with the rank of a president to civilian criminals, according to official reports? According to an official report, at approximately 1030 a Carabinero officer who sought asylum at the Venezuelan Embassy gave the exact address where the president was being held. Why was he not recovered earlier?

Why did the Army commander, who personnaly headed the operation to rescue the president of the Republic, not adopt any military security measures, considering the tumultuous situation which endangered the life of many citizens and of the president himself? Why did the president of the Republic cover up a common crime by personally leading his abductors, or presumed kidnappers, to the Argentine Embassy? In his speech from Government Palace, Siles Zuazo accused members of public administration of being his abductors. The Bolivian people want to know to who he was referring, and why is the UDP government keeping silent?

How can it be explained than in remarks made on Saturday Siles Zuazo said that he was not mistreated? Nevertheless, 48 hours later the government declared that the president, mistreated by his abductors, had a cracked rib. With this presumed kidnapping, why play with the prestige of the nation, with the Bolivian people, and with the presidency of the Republic, or protect the Army commander and the Interior Ministry under secretary, two elements highly questioned for their involvement in training communist paramilitary groups in Cuba, or to cover up the appearance of Army weapons earmarked for the Interior Ministry, the issuance of forged passports, and the so-called hunters detained in Luribay, along with the massive traffic of French weapons labeled medicines and food?

The UDP government must respond to these (?questions) without arbitrary speculations, slander, or absurd implications, because the Bolivian people recall that between 1956 and 1960, Dr Hernan Siles Zuazo eliminated all opposition to his government by aborting the Santa Cruz youth movement, which ended with the terrible massacre of (Tenevinto) which took the lives of a generation of brilliant Santa Cruz youth. The Bolivian people also remember the subversion of the Bolivian Socialist Falange which ended with the merciless execution at the Sucre Garrison, and the tragic death of Mr Oscar Unzaga de la Vega and his followers.

The people also remember Siles Zuazo's attitudes when he declared himself on a hunger strike to achieve his objectives, and when he averted the COB's strike in view of the implementation of the (EDER) plan, provoking the fall of the MNR [Nationalist Revolutionary Movement] in 1964, and other similar events which would be too long to list.

The ADN denounces to the national public, to foreign governments, and to international organizations that the UDP government is today, 4 July 1984, violating human rights, using for this purpose uniformed communist-style militiamen. During the past few days, houses were raided, persons detained, and several persons and entire families threatened, with complete disregard for the current state of law.

The ADN reaffirms once again its commitment to the democratic system and firmly declares that it will continue defending the Christian and nationalist values of the Bolivian people, within the framework of the political structure of the state.

The document is signed by Eudoro Galindo, ADN National Leader, and Guillermo Fortun Suarez, Executive Secretary.

COB EXPLAINS REASONS FOR INDEFINITE STRIKE

PY051810 La Paz Cadena Panamericana in Spanish 1130 GMT 5 Jul 84

[Text] Today the country is paralyzed. This decision was made yesterday by the Bolivian Labor Federation [COB] during a meeting of the COB Executive Committee and leaders of national labor organizations; therefore the strike is being carried out today. COB member Victor Lima explains the reasons why the COB made this decision.

[Begin recording] The Bolivian workers are on strike. Today the COB Executive Committee received a package of measures from the government in answer to the COB demands calling for the fulfillment of the COB-government agreement. After a study of the government package, the COB decided to answer it in the following manner: Fiscal Policy: In relation to this issue, all the government does is to convey that it is readjusting the national budget. It also attaches a presidential instruction to readjust (?income and debt) and a report on the 1984-87 national plan for economic recovery and development. The COB believes that the government answer is (?evasive) [words indistinct] to adjust cost production and the people's basic needs. [end recording]

COB spokesman Victor Lima also said that the government ignores the agreements reached with the COB to postpone the service of the debt with international private banks. In this regard, the COB approved the following.

[Begin recording] The government ignores the agreement reached with the COB in previous meetings to postpone the service of the debt with international private banks, that is, to postpone the payment of interest and principal.

The COB reaffirms its willingness to renegotiate the public foreign debt in the following manner: Renegotiation of the public foreign debt with international private banks: The COB proposes to the government the promulgation of legal regulations confirming [words indistinct] the postponement of the foreign debt payment. The government did not approve any regulation on this issue or on the issue that the state will not pay the debt of the private banks. The government has not made a study on money exchange risks.

Foreign Trade: The government answer does not include legal measures to regulate direct imports by public enterprises or a decree authorizing the Mining Corporation of Bolivia [words indistinct] 30 percent of calculated total exports and in accordance with its budget. The government ignores a letter sent by the finance minister to the Democratic and Popular Unity stating that the regulation for issuing foreign currency is being revised. [end recording]

The COB also says that the government is delaying the approval of concrete measures for establishing a 100-percent increase in the bank reserve requirement. Victor Lima continues reading the document approved by national union leaders last night.

[Begin recording] The government is delaying the approval of concrete measures for establishing a 100-percent increase in the bank reserve requirement, the reserve required by private banks; the approval of interest rates [words indistinct] and the granting of credits [words indistinct] and sale profits. In other words, the government refuses to establish a foreign trade and financial policy aimed at guaranteeing the reactivation of the productive apparatus necessary for the economy. Reactivation is the only way to overcome the crisis, to stop inflation and unemployment. In political terms, the government position helps to destabilize the current democratic process in favor of regressive actions.

Oil Companies: In relation to the COB proposals calling for basic changes in the oil companies Tesoro and Occidental, because of the taxes they owe [words indistinct] prices for the purchase of natural gas and oil by Bolivian Government Oil Deposits from those enterprises. The government has not approved legal regulations on this matter; therefore, the country is losing $276,000 a day. [end recording]

The COB believes that the government so far has not fulfilled the agreements reached with the COB. This situation has been going on since January and this is the reason for the indefinite general strike.

[Begin recording in progress] ... has not adopted any measures [words indistinct]. The COB believes that the workers have lost their patience and that since January the government has not fulfilled any of the agreements reached with the COB after the mobilizations carried out by the workers and the people. So far the government has not changed its policies or [words indistinct]. Therefore, the COB Executive Committee, in agreement with national organizations and in fulfillment of decisions made by national assemblies, decrees a national strike of Bolivian workers as of 0000 Thursday, 5 July. [end recording]

As a result of this decision, all labor sectors are on indefinite general strike.

FOREIGN MINISTER TALKS ABOUT ECONOMIC SITUATION

PY060208 Buenos Aires TELAM in Spanish 1907 GMT 5 Jul 84

[By special correspondent Eduardo Victor Tuculet]

[Text] La Paz, 5 Jul (TELAM) -- Bolivian Foreign Minister Gustavo Fernandez today said that the constitutional government was quite surprised at the Bolivian Workers Federation [COB] announcement of an indefinite general strike.

In an exclusive interview with TELAM, the minister explained that an indefinite general strike by definition has a political character, and that the government is concerned that this announcement may disturb the climate for understanding through dialogue that is the hallmark of a democratic system. He stated that the government and the president have maintained this attitude for dialogue since 1982. Referring to the strike, the minister emphasized that it cannot but be considered a rash attitude, because it can affect the national and international unity behind the democratic process that was manifested in the demonstrations on 30 June following the criminal kidnapping of the president and the attempted coup. The foreign minister said that the government is determined to enforce the law and that it will not accept blackmail or pressure as part of the political-labor relations in the country.

Fernandez, who is also cabinet chief, noted that the economic policy implemented on 12 April has begun to show results in the relative stability of prices, the satisfactory supply of essential goods, and the buying power of salaries. He stated that it would be wrong, even suicidal, to attack an economic policy bearing its first fruits.

He explained that the government intends to keep its economic policy, although it recognizes, of course, that it may have flaws and disadvantages like anything that is of human design, but that these flaws are to be corrected through understanding and dialogue in an atmosphere of respect for the law and the principle of authority.

Referring to the foreign debt, Fernandez said that the Cartagena meeting was an important step forward. It represented a great contribution to the cause of Latin American unity, next to the Quito Declaration, because it made more explicit some of the more general proposals of that Declaration.

He reasserted that the Consensus of Cartagena has the merit of having created a mechanism for Latin American consultation and action in the area of the foreign debt. He pointed out that this mechanism did not exist before and so it marks the beginning of a more determined joint action in this area by Latin American countries.

The Bolivian foreign minister pointed out that the rise in interest rates a few days after the closing of the Cartagena meeting was a hard blow to the prospects for a political understanding between the lending and borrowing countries. He further said that all this stresses more dramatically the need for an understanding before the situation becomes more conflictive and harder to resolve. Minister Fernandez said that the Bolivian Government has issued a declaration condemning the interest rate hike and calling for the creation of a mechanism such as the one that was approved at the Cartagena meeting. We will attend another meeting whenever it is called, and we understand that it will be as soon as there is a more exact idea of the actions that Latin America can take regarding this problem.

The minister observed that the raising of interest rates cannot be interpreted as a unique response to the Consensus of Cartagena. It in fact triggered some important moves, such as the growing indications on the part of the U.S. Administration, as well as of other industrialized countries, that the political overtones of the foreign debt problem are being understood, and that possibly the political dialogue we urgently called for at Cartagena will be initiated.

Minister Fernandez said Bolivian-Argentine relations are excellent because of the ideological affinity of the Bolivian and Argentine Governments, such as their democratic commitment and their determination to consolidate institutions under conditions of absolute freedom and domestic dialogue. In sum, these are characteristics of both governments which create a channel of fluent communication.

The foreign minister indicated lastly that the political affinity between the two countries will be strengthened with increasing commercial ties, adding that for Bolivia Argentina is an important export market as well as an important supplier of equipment, machinery, and sometimes food.

GOVERNMENT HOPES WORKERS MATURITY WILL PREVAIL

PY060258 La Paz Cadena Panamericana in Spanish 0000 GMT 6 Jul 84

[Excerpts] The Democratic and Popular Unity [UDP] government hopes that the maturity of the workers' movement will prevail in the conflict that has resulted as a consequence of the strike ordered by the Bolivian Labor Federation. This information was disclosed to the media by Labor and Labor Development Minister Horst Grebe.

The minister, in answering questions from the media, stated that inspectors of the Labor Ministry have verified that several factories are operating normally today, Thursday.

Minister Grebe also said that the UDP government is willing to hold talks with the goal of seeking solutions to the Bolivian workers' demands. He ended by stating that the government has never refused to talk.

REPORTAGE ON SOCIAL DEMOCRATIC PARTY DISPUTE

Figueiredo Concerned

PY051318 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 5 Jul 84

[Report from Brasilia by Carlos Rodrigues]

[Excerpt] At Planalto Palace, President Joao Baptista Figueiredo has told government leader Deputy Nelson Marchezan that he is concerned over the division in the Social Democratic Party [PDS]. He added that the PDS must find someone capable of uniting the party before the September convention.

Marchezan feels that President Figueiredo could resume the leadership of the presidential succession process, because it will not mean interference in the party. Marchezan added that the possibility of the PDS losing to the opposition candidate in the Electoral College has not been discarded.

Regarding the possibility of designating a military candidate for the presidency, Marchezan said that he has never heard President Figueiredo say that a military candidate is being considered. He added: If this happens, it will be due to our inability to find a civilian solution to the problem.

Refuses To Coordinate Succession

PY060226 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 5 Jul 84

[Text] Brasilia -- President Joao Figueiredo will not agree to resume the coordination of the succession process. This information was disclosed by the new Social Democratic Party [PDS] president, Deputy Augusto Franco, at the end of a meeting with the chief of state this afternoon.

Augusto Franco, who was elected PDS president this afternoon during the national PDS leadership meeting, asked the president to resume the coordination of the succession process, but Figueiredo declined to do so. Upon leaving Planalto Palace, Franco said that as things stand within the PDS now, the party runs the risk of losing at the Electoral College.

New PDS President Elected

PY051623 Sao Paulo Radio Bandeirantes in Portuguese 1555 GMT 5 Jul 84

[Report from Brasilia by Carlos Rodrigues]

[Excerpt] Deputy Augusto Franco, Sergipe State, is the new president of the ruling party. The PDS National Executive Board, made up of governors, senators, and deputies held a meeting this morning and elected by acclamation Deputy Augusto Franco, the only candidate for the presidency of the PDS.

The PDS National Executive Board then postponed the decision on primary elections to choose a PDS candidate for the presidential succession after President Figueiredo. At the suggestion of Nelson Marchezan, government leader in the Chamber of Deputies a committee will be formed to study all proposals and the possible realization of primary elections. The board will meet again within 15 or 20 days to decide on the primary election issue.

Other Leaders Named

PY060004 Brasilia Domestic Service in Portuguese 2200 GMT 5 Jul 84

[Text] At 1630 President Joao Figueiredo met with Deputy Augusto Franco, who today was elected national president of the Social Democratic Party [PDS]. At the end of the meeting, Augusto Franco states that his task as PDS president will be to seek the party's unity.

[Begin Franco recording] I am now assuming the PDS presidency and my job will be to try and achieve the party's unity, which has always been my goal. It is just a matter of time, and I need the time to be able to achieve this objective. [end recording]

This morning Deputy Augusto Franco was unanimously elected PDS president to replace Senator Jose Sarney. The PDS national leadership also elected Senator Amaral Peixoto as first vice president, Senator Jose Lins as second vice president, and Senator Joao Castelo as treasurer. The other posts remain unchanged.

During his inauguration speech, Franco referred to the political crisis through which the party is passing and also pointed out his desire to overcome the difficulties. Franco recalled President Figueiredo's efforts seeking the country's democratic consolidation.

Demonstrators Boo Leaders

PY060348 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 6 Jul 84

[Excerpt] The Social Democratic Party [PDS] is still in trouble: After two resignations, it elected its new president, party leaders were booed in Brasilia, and the dissident group released a manifesto.

After PDS leaders left the party headquarters located in downtown Brasilia today, they were met by tens of demonstrators and union leaders waving signs and banners criticizing the government and the PDS. The demonstrators demanded that the direct balloting system be restored immediately, and warned that the people do not forget. Some lawmakers tried to react and the situation worsened. Eggs and water ballons were added to the confetti that was being thrown from the building. Not even the elderly General (Roberino Conte Silva) was spared.

The demonstrators tried to overturn the car of Deputy Nelson Marchezan, who is the PDS leader in the lower house. He left the car, went on foot, and was later picked up by some one. The demonstrators were disbanded by the police.

FINANCE MINISTER ON BHC AGREEMENT, DROP IN RESERVES

PY052229 Santiago Radio Cooperativa in Spanish 1715 GMT 5 Jul 84

[Excerpts] Finance Minister Luis Escobar Cerda has said that only through a broad political agreement will it be possible to solve the foreign debt problem. He also announced that the agreement with the Chilean Mortgage Bank [BHC] group is ready and that the group will transfer its assets to its creditors. Escobar Cerda said that Javier Vial and the former executives of his enterprises are ready to sign the agreements whereby they will transfer their assets. The minister explained that the enterprises will continue operating normally.

Escobar Cerda admitted that Chile's reserves will drop $200 million this year, adding that this will be discussed with the IMF. The minister also said that a request will be submitted to allow the deficit to rise an additional percentage point, and that Chile will ask the IMF for a compensation loan of approximately $75 million in view of the copper price slump.

GOVERNMENT-COURTS 'DISPUTE' SEEN OVER EXILES' RETURN

PY031615 Santiago Domestic Service in Spanish 1100 GMT 3 Jul 84

[Text] The Supreme Court has rejected a petition filed by the Interior Ministry asking that the appeal proceedings on three injunctions received by the appellate court be suspended. These injunctions have been filed for four persons who are banned from entering the country. The petition filed by the Interior Ministry asked for a stay in the proceedings for authorizing the return of Jaime Insunza and Leopoldo Ortega. A similar petition was filed for the appeal related to the authorized return of Patricio (Stocker) Munoz and Herminio Osorio Vergara, a decision that has been awaiting settlement since last Thursday.

The Interior Ministry asked for a stay in the proceedings in the face of the jurisdiction dispute prompted by the government between the Interior Ministry on one hand and the Supreme Court and the Apellate Court on the other.

In judgments issued on different dates, the 6th Appellate Court annulled resolutions issued by the Interior Ministry banning Insunza, Ortega (Stocker), and Osorio from entering the country.

The government deems that Provision 24 of the Constitution may not be appealed in the courts and [words indistinct] administrative powers. Nonetheless, the courts have passed juridical judgments receiving appeals which give rise to a jurisdiction dispute, a dispute that the government junta, in its capacity of legislature body, will have to settle.

Yesterday the Supreme Court plenum was convened by its president, Rafael Retamal, to hold a special session, apparently for [word indistinct] the news conveyed by the government reporting on the jurisdiction dispute.

PCCH LEADERS ASSAIL NEW ANTICOMMUNIST LAW

PY052256 Paris AFP in Spanish 2207 GMT 5 Jul 84

[Text] Santiago, 5 Jul (AFP) -- The outlawed Chilean Communist Party (PCCh) today warned that the new anticommunist law that the government of General Augusto Pinochet is planning to enact is an aggression against the people.

The Interior Ministry has reported that even though the PCCh was outlawed in 1973, the government is studying the adoption of more specific sanctions to prevent Communist infiltration and underground activities.

During a press conference, four PCCh leaders recalled that the first anticommunist law enacted in the late 1940's not only gave legal status to concentration camps, harassment, and exile, but also allowed aggressive actions against the people.

Former Senator Victor Contreras and three other leaders denied that the PCCh principles are totalitarian, a charge that was leveled by the government, and maintained instead that they have never undertaken any action against democracy.

They also denied that the Manuel Rodriguez Patriotic Front (FPMR), a subversive group, that has been responsible for several bomb attacks and power outages in the last 6 months, is the armed branch of the PCCh.

RADICAL DEMOCRATIC PRESIDENT FAIVOVICH RESIGNS

PY051547 Santiago Domestic Service in Spanish 1100 GMT 5 Jul 84

[Text] Angel Faivovich, president of the Radical Democrats, has resigned. In a letter to Rafael Otero, secretary general of the Radical Democrats, Faivovich, an attorney and a former senator, states that he made this decision after he learned that the Radical Democrats entered an agreement [words indistinct] a likely approval by the executive board. This means that this agreement has resulted in the replacement of the Group of eight by another organization. Faivovich recalls that he was the one who assembled and prompted the formation of the Group of Eight. Faivovich also states that he played a leading role in the political proposal that the above-mentioned group forwarded to the government.

SOCIALIST PARTY GROUPS HOLD PLENUMS, VIEW AD

PY011919 Madrid EFE in Spanish 1559 GMT 1 Jul 84

[Text] Santiago, 1 Jul (EFE) -- The sixth plenum of the Socialist Party and the first plenum meeting of the (Historic) Socialist Party have opened in Santiago. Speaking at the plenum, Socialist Party Secretary General Carlos Briones, former interior minister of the Popular Unity [UDP] government, noted that his group "will stay within the Democratic Alliance (AD) opposition coalition with the intention of expanding its capacity to gather more people." Briones said the AD should sign a constitutional pact through which all its members commit themselves to "defend democracy in the future."

Briones said that the tasks of a transition government that will succeed the military regime should be "the restoration of basic freedoms, the enforcement of an emergency economic program, and the calling of a constituent assembly."

Manuel Mandujano, the leader of the (Historic) Socialist Party, stated in the opening session of the party plenum that "it is necessary to achieve consensus of all socialist sectors as soon as possible." Mandujano criticized the AD by noting that it is "a bureaucratic organization that does not promote the struggle of the masses." To face the immediate future Mandujano said that the "AD" could be more important by becoming "a sole national opposition front."

DRUG TRAFFICKERS SEND MESSAGE TO BETANCUR

PA051637 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 5 Jul 84

[Text] Drug traffickers have informed President Belisario Betancur that they have begun the dismantling of their cocaine laboratories and marijuana plantations in an effort to abide by the law, but only as long as the authorities apply the law fairly, they have stressed.

Attorney General Carlos Jimenez Gomez disclosed that he had held talks with drug traffickers to learn about a proposal for an agreement between Colombian drug traffickers and the government. Meanwhile, Justice Minister Enrique Parejo Gonzalez reiterated that Jimenez Gomez' action was not official and those who are outlaws will receive the punishment they deserve. These remarks have caused commotion among political and social circles. Jimenez Gomez noted that the meeting held with drug traffickers such as Pablo Escobar Gaviria, Gonzalo Rodriguez Vasquez, and five others in Panama City was not a bilateral negotiation. He disclosed that they expressed the desire of local drug mafia leaders to (?return) to the country if the president promises not to make any reprisals after their return and to try them fairly. Although Jimenez Gomez said that President Betancur knew about the talks with top drug mafia leaders, the president said that he did not know of any proposal from them.

Meanwhile, Parejo Gonzalez reiterated that he had no official report that the government was involved in negotiations with the drug traffickers through the mediation of the country's attorney general. Those who are involved in drug trafficking are outlaws, therefore there can be no negotiations with criminals other than the strict application of justice. In confirming a report on secret meetings in Panama City with Colombian mafia leaders, Jimenez Gomez said: They told me that they wanted to have a normal life again, that they wanted to abide by the law once more. He said that these leaders gave him a six-point memorandum addressed to President Betancur. These points, Jimenez Gomez stressed, include: the return of their money to Colombia, the dismantling of cocaine processing laboratories, the identification of secret airstrips used for drug trafficking, the sale of their planes, a promise to help in the struggle against the consumption of [word indistinct], and the deactivation of the organizations formed to carry out drug trafficking. In addition, they will stop the import of coca from Bolivia and Peru and will not export cocaine to the United States.

SUPREME COURT APPROVES MILITARY DRUG TRIALS

PA041825 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 4 Jul 84

[Text] The Colombian Supreme Court has ruled that it is constitutional for military courts to try civilians, including those who are charged with drug trafficking. The Court arrived at this decision after reviewing Decree No 1042, by virtue of which military courts are authorized to conduct summary proceedings against civilians, thus ratifying the old legal doctrine of serious crime.

The vote came after Associate Justice Gonzalo Vargas Rubiano was appointed to that position during the Supreme Court's 24 June plenary session, at which a 12-12 vote stalled a decision on the constitutionality of Decree No 1042.

The Court's constitutional division had submitted two issues for the consideration of the entire court: One presented by Justice Alfonso Patino Roselli, which was [words indistinct], and one by Justice Carlos Perez Nunez, Manuel Bahona Cruz, and Ricardo Novina Moyano, who claimed that the decree was not valid, because civil courts were expected to try drug-related crimes.

The full court listened to Associate Justice Vargas Rubiano's arguments. He broke the deadlock, producing a 13-12 vote against a repeal of the decree. He argued that inclusion of the decree's 10 laws in the constitution permits military judges to try civilians when the country is under a state of siege. He claimed that civilian judges would have had to face too much pressure and would have become unfit to apply the law's full weight against the mafiosi. Justice Vargas also argued that the decision to have military courts try drug-related crimes helped to safeguard civilian judges. The Supreme Court therefore ruled to allow the military courts to continue their proceedings against drug traffickers.

It is expected, as a result, that the hundreds of cases of indicted drug-traffickers will be cleared in the next few hours; they were awaiting the Supreme Court's resolution of the issue. The summary proceedings carried out in oral courts martial will only allow for one appeal.

Attorney General Carlos Jimenez Gomez had earlier asked the Supreme Court to declare Decree No 1042 unconstitutional, alleging that the Constitution holds that no individual may be denied due process unless there is a situation involving civil disturbance.

The Supreme Court, with Associate Justice Gonzalo Vargas Rubiano's tie-breaking vote, is telling the Government that its implementation of the state of siege in the wake of Justice Minister Rodrigo Lara Bonilla's assassination and the military trials against drug traffickers are both constitutional measures.

FARC GENERAL STAFF DENIES TRUCE VIOLATION

PA032025 Bogota EL SIGLO in Spanish 2 Jul 84 pp 1, 3

[Report by Alvaro Almanza]

[Text] According to the Revolutionary Armed Forces of Colombia (FARC) general staff, it has promoted no action against the truce or cease-fire; on the contrary, it has instructed its various fronts to honor the agreement signed with the National Peace Commission, which went into effect on 28 May 1984.

In a note addressed to the president of the National Peace Commission, the FARC Command answers the charge that it violated the truce with confrontations that took place 15 days ago in the Municipality of Cartagena del Chaira in Caqueta Department. The note in question, signed by Manuel Marulanda Velez [Tirofijo), Jacobo Arenas, Alfonso Cano, Jaime Guaraca, and Raul Reyes, was received by John Agudelo Rios last Friday. In the note, the FARC general staff stresses that it will duly honor the agreement and denies that the actions perpetrated in Caqueta were carried out by a FARC column.

Although the National Commission To Oversee the Peace Agreement has made no disclosures about the contents of the note, EL SIGLO managed to learn that the FARC provides details in it about the activities of the FARC column that operates in Caqueta, in order to prove that this column has not participated in clashes between a guerrilla group and the Army.

The note also reiterates the group's willingness to continue the truce and the cease-fire in order to achieve definitive peace throughout the country. To this end, Maruland Velez and Arenas will soon join the National Commission To Oversee the Peace Agreement in order to ensure that the pact is enforced.

According to both Marulanda Velez and Arenas, they will travel to wherever the National Commission To Oversee the Peace Agreement is installed in order to meet its members immediately and thus facilitate the investigations that are necessary to guarantee the truce and the cease-fire in those parts of the country where FARC operates.

EPL [Popular Liberation Army] and M-19 [19 April Movement] Will Sign Agreement Separately

It has also been learned that in the next few days the EPL and the M-19 will separately sign a truce and cease-fire agreement with the government's representatives. Although the two groups have been conducting joint negotiations, each of them will issue a separate document, in order to maintain individual responsibilities within the truce and cease-fire process. Carlos Toledo Plata, the M-19's ideologist, disclosed this on Friday to a group of journalists.

'ALLEGED' GUERRILLAS ATTACK HELICOPTER

PA030357 Bogota Cadena Radial Super in Spanish 0000 GMT 3 Jul 84

[Text] Bogota -- A helicopter of Helicol, an Avianca subsidiary, was shot at by an alleged guerrilla group. Two of the crewmen were seriously wounded.

Civil aeronautics authorities have confirmed that the craft, registration number HK-3039, piloted by Captain Rene Fua, was hit by several bursts of machinegun fire, wounding two of the crewmen who have been taken to a clinic.

According to the reports, the helicopter, with three people aboard, had taken off from El Dorado airport headed for La Belleza in Santander Department in order to inspect some oil wells. The aircraft was hit by several bursts of machinegun fire while flying over the area. The pilot managed to land between Santander and Boyaca Departments. The helicopter was slightly damaged.

Two Colombian Air Force, FAC, planes are now assisting the helicopter crew members while intelligence organizations try to determine which guerrilla group carried out the attack.

MINISTER WANTS CAPITAL PUNISHMENT FOR TERRORISTS

PY051431 Lima Cadena Panamericana Television in Spanish 0315 GMT 5 Jul 84

[Excerpts] It has been reported from Ayacucho that the law forces have killed at least 70 members of Shining Path in different actions carried out to halt the new outbreak of subversive crimes and attacks in the zone. No further details were provided about these operations.

Interior Minister Luis Percovich yesterday called for the unity of the country to fight terrorism which will not be eliminated in the short term. Civilian Guards Director Juan Balaguer asked for more drastic measures, such as submitting the terrorists to military courts.

[Begin recording] [Unidentified reporter] Minister: You are asking for the unity of all sectors, do you feel, then, that there is no unity in the country?

[Percovich] There is no joint effort, we note indifference in some sectors as far as terrorism is concerned. We must awaken the citizens to this danger so that this indifference is eliminated, and so that we all may have a clear idea of the significance of subversive actions and of the great damage they are causing to the country.

In view of the new offensive carried out by Shining Path, I feel the need to adopt more drastic measures, especially as far as punishment is concerned in Peru. I have asked for capital punishment for terrorists, and I am convinced that what the president of the Supreme Court stated is also very appropriate in these cases, that is, to submit terrorists to military courts. [end recording].

TERRORISTS ACTIONS REPORTED IN DEPARTMENTS

Police Station Attacked

PY021605 Lima Television Service in Spanish 0430 GMT 2 Jul 84

[Excerpts] A terrorist command of the communist Shining Path group this morning attacked the police station in Ano Nuevo, Colique, but the courage and bravery of an effective police group prevented its seizure and they seriously wounded terrorist leader Laura Zembrano Padilla, alias Comrade Cirila.

Members of the Civil Guards were attacked in a cowardly fashion this morning by Shining Path members at the Sunday fair in Tambo, Ayacucho. Our correspondent in the department has more news on this attack.

[Begin recording] Two members of the Civil Guards were seriously wounded today by five subversives disguised as peasants at the Sunday fair in Tambo, approximately 70 km from Huamanga. The five subversives disguised as peasants were finally detained in Tambo thanks to the effective work of the Civil Guards. [end recording]

Terrorist Hospitalized

PY031436 Lima Cadena Panamericana Televison in Spanish 0315 GMT 3 Jul 84

[Excerpt] The police are keeping strict surveillance at (Loaiza) Hospital over terrorist (Lucia Pillaca Sicha), who was injured during an attack on the Ano Nuevo Civil Guard station on the morning of 1 July.

Bombings in Lima

PY301356 Lima Cadena Panamericana Television in Spanish 0315 GMT 3 Jul 84

[Excerpts] On the night of 2 July, Shining Path terrorist groups murdered a civil guardsman along (Bancay) Avenue and they injured a republican guardsman and a woman and her two sons in a number of dynamite attacks that caused damage in downtown Lima. The offices of the Banco de la Nacion along (Bancay) Avenue and the telephone company offices at San Martin Square were damaged by home-made explosives detonated by terrorists.

The dead policeman was 32-year-old Victor Paredes, who was shot when he was directing traffic. Interior Minister Luis Percovich later confirmed his death.

[Begin recording] [Unidentified reporter] What is the official reaction to the terrorist attacks that occurred in Lima tonight?

[Percovich] The State Security Department just informed me of the terrorist attacks that occurred in the vicinity of the Education and Economy Ministeries. According to the report, one policeman died and a republican guardsman was injured. The department also reported the arrest of one woman and three men.

[Reporter] Does this confirm what you announced a few days ago, that is, that there would be a terrorist escalation in July?

[Percovich] We obtained this information from documents seized from various people and during various police operations. These regrettable events confirm what was announced some time ago. I am afraid that the police forces will have to increase their efforts to prevent further damage. [end recording]

Leader Erkes Arrested

PY041530 Paris AFP in Spanish 0310 GMT 4 Jul 84

[Excerpts] Ayacucho, 1 Jul (AFP) -- Police sources reported here today that a high-ranking leader of the Maoist subversive group Shining Path known only by the name of Comrade Erkes has been arrested in the area of San Francisco, some 200 km northeast of Ayachucho. Erkes was captured in the hamlet of Pichari along with two other members of the subversive organization. The authorities also seized 15 revolvers, several grenades, and other weapons.

Military sources have reported that approximately 100 Shining Path guerrillas attacked the villages of San Antonio de Patareli, Huayrapata, San Martin, and Quillabamba in La Mar Province.

In Ayacucho, 575 km southeast of Lima, three members of a Shining Path cell which operated in the neighborhood of San Juan Bautista were arrested today.

It has also been reported that General Julio Carbajal has been given command over military operations in the zone which has been declared in emergency status as a result of subversive activities, but General Adrian Huaman will remain as emergency zone commander.

780 DEMONSTRATORS DETAINED IN MALDONADO

PY060011 Madrid EFE in Spanish 2347 GMT 5 Jul 84

[Text] Maldonado 5 Jul (EFE) -- At least 780 people were detained today by the police in the City of Maldonado while demonstrating to demand the release of Uruguayan political leader Wilson Ferreira Aldunate. EFE has been told that the police rounded up the demonstrators and took them to a barracks in the downtown area of the city.

Later the authorities released about 500 persons, including women and children.

Gen Rapela on Demonstration

PY060259 Montevideo Radio Carve in Spanish 0000 GMT 6 Jul 84

[Excerpts] Freedom of the press and freedom of assembly will be two of the issues to be debated by the military and by party leaders when they resume the dialogue. This information has been released by Interior Minister General Julio Cesar Rapela, who added that parties that fail to participate in the talks will not enjoy any of the advantages that may be agreed upon during the dialogue.

Gen Rapela also remarked that the Blanco Party wants to spread the mobilization staged in Maldonado throughout the country, and minimized the successive hunger strikes that Blanco Party members have staged. He also said that the case of terrorist Wassen Alawiz, who is affected by an incurable disease, will have a sad outcome.

Concerning the lifting of bans, Rapela said:

[Begin recording] [Rapela] The ban affecting other people will be lifted for sure, but all this ought to emerge from the talks that the commanders in chief will hold with party leaders.

[Unidentified reporter] Gen Rapela, according to reports datelined Maldonado, several persons were arrested during demonstrations sponsored by Blanco Party sectors. Are you aware of this event?

[Rapela] Yes, obviously. This is part of a mobilization campaign launched by the Blanco Party in Maldonado. They began in this city and, as they feel that they succeeded, they will extend the campaign throughout the country. In this type of mobilization a couple of volunteers go into the street waving a banner. They are taken to the police station where an official note is entered into the records before they are released. The same action is repeated by different persons every day, and their detention is reported by the press. The truth is that they are not detained, because they are taken to the police station where an official note is entered into the records pointing to the fact that they infringed upon resolutions dealing with freedom of assembly and with the waving of banners, that's all. But since this serves to make noise, they will do it in all departments every day at 1500 with two volunteers.

[Unidentified reporter] Mr Minister, what attitude will be assumed in connection with the Blanco Party members who are fasting?

[Rapela] None in particular, because that is merely a show; it is a very special fast carried out under medical supervision. It is as if I were on a diet to lose some weight. They are doing it on 10-day shifts. They change the people every 10 days. Therefore, this action is not to be given too much importance. [end recording]

AIR FORCE COMMANDER ANNOUNCES POLITICAL MEETING

PY051929 Montevideo Radio El Espectador Network in Spanish 1600 GMT 5 Jul 84

[Excerpts] A meeting has been convened for 6 July at the Joint Staff Offices (ESMACO) between the commanders in chief of the Armed Forces and the leaders of the Colorado Party, the Civic Union, and the Broad Front. This is what Army [as heard] Commander in Chief Lieutenant General Manuel Buadas told Radio El Espectador and the Cadena de Oro at noon.

[Begin recording] [Unidentified reporter] Do you feel that the institutional act signed yesterday is important?

[Buadas] It is important because it was necessary to politically qualify the Broad Front representatives, thatis, Dr Cardozo and accountant Young.

BAN ON BROAD FRONT LEADER CARDOZO LIFTED

PY060132 Montevideo Radio Carve in Spanish 0000 GMT 6 Jul 84

[Text] It was officially reported a few hours ago that the ban on former Socialist lawmaker Jose Pedro Cardozo has been lifted. Cardozo and Juan Young will represent the leftist Broad Front coalition at the talks between party representatives and the Armed Forces.

COLORADO PARTY THREATENS NOT TO DIALOGUE

PY040305 Buenos Aires TELAM in Spanish 2313 GMT 3 Jul 84

[Text] Montevideo, 3 Jul (TELAM-ANSA) -- Enrique Tarigo, a leader of Uruguay's Colorado Party, today said that if the proscribed leftist coalition Broad Front is not allowed to sit down at the preelectoral negotiating table, then his group, one of the parties that has always had a majority throughout its history, will abstain from participating in the dialogue with the military regime.

The statements of Tarigo, a member of the board of directors of Uruguay's Colorado Party, were made after General Liber Seregni, the leader of the Broad Front, today said, referring to the delay in the democratization process, that the country cannot waste any more time because the people are anxious for decisions. The leader of the Broad Front also stated that in his opinion the imminent opening of negotiations with the military for elections in November 1984 in Uruguay "cannot leave any margin for failure."

Despite this fact, the refusal of the Blanco Party to participate in the talks with the military is considered in political circles as an uncertain factor regarding the viability of a true national accord in the country.

SEREGNI SAYS DIALOGUE WILL BE STALEMATED

PY032115 Montevideo Radio El Espectator Network in Spanish 1600 GMT 3 Jul 84

[Text] If the Broad Front does not participate in the talks with the military then the dialogue will be virtually stalemated. This is what Broad Front leader General Liber Seregni told Radio El Espectador and the Cadena de Oro this noon. Concerning the current political status, Gen Seregni told Radio El Espectador journalists the following:

[Begin recording] [Seregni] In principle, from an objective viewpoint, what I know from reliable sources is that the political forces have asked for a meeting with the military leadership in order to convey to them the decision made last Tuesday. A formal application was submitted by a delegation made up by the three parties which had written last Tuesday's resolution. [passage indistinct]. I also know that the other two parties which signed last Tuesday's resolution, that is, the Colorado Party and the Civic Union Party, stated that without the presence of the Broad Front there is no point in attending this meeting and I agree on this. This is something real. The Broad Front is a political reality. It is a political reality that has demonstrated on the streets with special dynamism. It has participated in all political rallies held last year and this year. It is a member of the Multiparty Group, and has been implicitly recognized and even acknowledged by [passage indistinct]. It is a reality, and if it is a reality, well then [laughs] let us accept it as such and not as [words indistinct] that exists, that it is a political movement which participates in the country's political life and plays a leading role in the country's main developments. Well then, it is only natural that it be explicity recognized and of course that it be allowed to participate in this stage of the talks on the setting of the necessary atmosphere for starting negotiations.

[Question] Well now, Mr Seregni, in case the military finally do not accept holding talks with the Broad Front, how may this fact be interpreted, that is, the negotiations would thus be frozen, right?

[Seregni] I think so. Even after the talks that we held with the National Security Council [COSENA] by its own [changes thought] ... what would be at stake here is the standing and the value of the talks that are held, the talks about the setting of the appropriate atmosphere. In the case that only the National Party, the Colorado Party, and the Civic Union Party participate there would be an inherent weakness in such a representation.

[Question] General, one question. Let us suppose that the military accepts the terms that the political parties asked on 22 May, that is, a peaceful setting, a [words indistinct]. How long would it then take for the political parties to be in a position to finally reply to the draft submitted by the Armed Forces?

[Seregni] I feel it could be very soon. I can be entirely honest on this point. As you have seen, the Multiparty Group has not decided [words indistinct] to take a stand of their own in order to come up with a proposal. Such a proposal has not been drafted yet. On the basis that this first meeting is held, the parties that make up the Multiparty Group would focus on this matter immediately and then, well, progress may be achieved in just a few days.

[Question] Thank you. Mr Seregni, El Espectador and the Cadena de Oro are deeply indebted to you.

[Seregni] No. Thank you, indeed. [end recording]

BLANCO BRANCH WANTS ARMED FORCES 'DISBANDMENT'

PY041918 Paris AFP in Spanish 1738 GMT 4 Jul 84

[Excerpt] Montevideo, 4 Jul (AFP) -- Blanco Party sources today reported that the convention of a departmental branch of the Blanco Party has agreed to promote the disbandment of the Armed Forces once the state of law is reinstated in the country. The convention was held in the northern Department of Tacuarembo, 350 km from Montevideo. The decision of this convention was relayed to the national leadership of the party last night.

LUSINCHI OPTIMISTIC ABOUT ECONOMIC RECOVERY

PA060347 Buenos Aires LATIN in Spanish 1838 GMT 5 Jul 84

[Text] Caracas, 5 Jul (LATIN-REUTER) -- Venezuela is on the way to economic recovery and the renegotiation of its $34-billion foreign debt is going well, President Jaime Lusinchi said today.

"We are experiencing a period of transition from crisis toward a more prosperous and stable economy," he said in a speech before Congress on the 173d anniversary of the Venezuelan Declaration of Independence. The president warned, however, that the path to economic recovery will be long and difficult.

"We are at the beginning of a tough struggle and only a permanent and prolonged effort will definitely place us on the path to sustained prosperity," he said. The president added that Venezuela has already overcome the most difficult phase of the negotiations to refinance its foreign debt. He also hinted that the international banks accepted the refinancing of the Venezuelan debt without forcing the country to accept a contingency agreement with the IMF.

"We have already overcome the most difficult phase of the negotiation which is guaranteed by the soundness and realism of our program. We must avoid any imposition that would undermine the autonomous management of our economic affairs," Lusinchi said.

The president reiterated that Venezuela will initiate formal talks with other indebted Latin American countries this month, and has requested a reform of the international monetary system that will guarantee a greater flow of credits to the underdeveloped countries.

"We see the problem of the underdeveloped countries' foreign debt as part of the process of international economic decomposition, which has had its most critical expression in Latin America," he said. The president added that the debt crisis cannot be solved by only appealing to refinancing agreements. Latin America needs to improve the access of its exports to developed countries and a renewed flow of credits to finance its economic development, Lusinchi said. Lusinchi also cirticized the rising levels of international interest rates, of which he implicitly accused U.S. economic policies.

"It is our duty to point out the need to avoid the adverse effects that domestic manipulation of interest rates in some developed countries can have on countries," he said.

Lusinchi outlined the economic adjustment measures adopted thus far by his Social Democratic government, in order to get Venezuela out of its present crisis. He expressed his decision to develop agriculture and other nonpetroleum sectors of the economy. He added that the role of private investment in this process will be essential. The president said that the greater part of the current economic problems in Venezuela was caused by the mismanagement and lack of vision of previous regimes during the oil boom in the 1970's. The later saturation of the oil market and the decreased income from exports left the country with too great an exchange shortage to finance its huge import expenses, and with a strong capital investments program.

SEPULVEDA ON INTEREST RATE RISE, U.S. RELATIONS

PA050427 Mexico City THE NEWS in English 30 Jun 84 pp 1, 6

[By Ron Morgan]

[Text] The meeting of Latin American debtor nations in Cartagena, Colombia, last week was "an act of political responsibility to assure that the international financial system operates -- and operates viably," Bernardo Sepulveda, secretary of Foreign Relations, said during a televised interview Thursday evening.

Sepulveda discounted reports that the subsequent rise in the U.S. prime interest rate several days after the Cartagena meeting was an "act of anger by the international banking system." "That interpretation would not be correct," Sepulveda said. "It was an unfortunate act that no doubt was a coincidence."

The Cartagena meeting, Sepulveda said, showed that the Latin American debtor countries have the political will to meet their foreign obligations. "No one is interested in breaking the international financial system," Sepulveda said. "On the contrary, the meeting in Cartagena was precisely an exercise in political responsibility to assure the operation of the international financial system."

What the Latin American nations want, he said, is that terms of payment not become impossible to meet. "What is required is that the cost of money not become something so onerous that it impedes payment," Sepulveda said. "We want to assure that interest rates are reduced," he said. "And we have hope that they will be reduced -- not immediately, but in a reasonable time, when this anti-inflationary policy runs its course."

Throughout the interview, which touched heavily on Mexico-U.S. relations, Sepulveda played down reports of serious friction and stressed areas of agreement between the two countries. The foreign secretary maintained that President De la Madrid's visit to Washington in May was a success -- especially in the area of promoting dialogue between the United States and Nicaragua. "Without doubt," Sepulveda said, the talks and suggestions by De la Madrid in Washington have "produced effects on the Central American situation."

"There has begun a process of lessening of tension in Central America," Sepulveda said, "which is very beneficial to the creation of peaceful conditions." Sepulveda said he is not becoming too quickly optimistic about the results of talks between Nicaragua and the United States held earlier this week in Manzanillo. "It is a negotiating process that will take time," he said.

In regard to the passage of the Simpson-Mazzoli immigration bill, Sepulveda said Mexico is waiting to see the outcome of the final legislation, which still has to be worked out between the Senate and the House of Representatives. He said the Foreign Affairs Secretariat intends to strengthen its ongoing efforts at Mexican consulates in the United States to monitor and protect the human rights of Mexican citizens living and working there. "It (Simpson-Mazzoli) has a long road still to travel," he said. "Nevertheless, against the eventuality that it is approved, we have begun to intensify the special task of assuring the proper respect for human rights of Mexicans abroad -- rights that derive from the U.S. Constitution itself."

In the area of trade, where a bill to grant Mexico "proof of damage" has been tied up in the U.S. Congress, Sepulveda also played down the negative aspects. "The United States and Mexico reached an understanding that Mexican products will receive 'proof of damage' coverage when they enter the United States under certain conditions," he said. "Nevertheless, we knew from the start that this agreement would have to be submitted to the U.S. Congress," he said. "The creation of a political atmosphere that favors dialogue, that permits understanding, that permits fluid relations between governments, is a matter that can't be identified by tangible actions," Sepulveda said, "but it has an enormous significance in terms of relations between Mexico and the United States."

SILVA HERZOG SAYS COUNTRY CAN CONFRONT CRISIS

FL031518 Mexico City NOTIMEX in Spanish 2025 GMT 3 Jul 84

[Excerpt] Mexico City, 2 Jul (NOTIMEX) -- Secretary of Finance and Public Credit Jesus Silva Herzog has said interest rate increases and protectionist measures of some nations are additional difficulties which the country has so far been able to face. Speaking at the ceremony commemorating the 50th anniversary of the National Finance Bank, Inc (NAFINSA), he admitted that costs and sacrifices caused by the crisis have been high. He said: Nevertheless, it is necessary to face the situation with responsibility and firmness.

He said that a noticeable reduction of maladjustments and acquired experience will permit us to overcome difficulties, correct deviations, and attend to the qualitative aspects of development despite pressures to change the course of the country.

Comments on Cartagena Meeting

FL052140 Mexico City NOTIMEX in Spanish 1955 GMT 5 Jul 84

[Excerpts] La Paz, Mexico, 5 Jul (NOTIMEX) -- Mexican Secretary of Finance and Public Credit Jesus Silva Herzog has said that the increase in interest rates authorized by the international banking system was an unfortunate coincidence with the Cartagena conference and will make more difficult the development of debtor nations.

Silva Herzog said that at the Cartagena conference there was frank discussion and a consensus that the debt problem is negatively affecting development possibilities, for which reason it is necessary to act with complete objectivity and realism to solve a problem arising from the acceleration of present consumption at the cost of future consumption.

The finance secretary said that provision was made for consultations and follow-up that will make it possible to call meetings of debtor nations to assert our interests in a more forceful way because of the unanimity of Latin American countries. He said that at the conference no one suggested a debtors' club reaction or the declaration of a moratorium. Latin American countries act with responsibility and honesty, and it is to be expected that the industrialized nations and the international banking system will know how to evaluate and appreciate this realistic honest attitude, he concluded.

ILLUECA SAYS ANTIDRUG STRUGGLE CONTINUES

PA051622 Panama City CRITICA in Spanish 4 Jul 84 pp 1, 18

[Text] President Jorge E. Illueca today received a report from Attorney General Jose Isaac Chang Vega on the investigations currently underway to prevent, repress, and punish draug trafficking throughout the national territory. Through the Defense Forces, the National Department of Investigations, the Customs Directorate, and other civilian and military authorities, President Illueca's government has been carrying out energetic actions designed to fight the condemnable drag trafficking, which causes so much damage to the youths and peoples of Panama and other countries. To this end, Panama is participating honorably in an efficacious campaign against drug trafficking, in coordination with the international strategy for the supervision of drugs agreed on by the United Nations. Once informed of the deposition made by former Lieutenant Colonel Julian Melo Borbua, President Illueca reiterated the statement he made on 18 June 1984 asking Chang Vega, as head of the Attorney General's Office, to take the most vigorous and effective steps so that justice can triumph, regardless of the economic or social status of those involved. According to the president, the cancellation of the license of INAIR airline; the destruction of hundreds of thousands of gallons of ethylic ether, a chemical agent used to process cocaine; and the arrest and discharge of former Lt Col Melo are evidence of the rigorous actions taken against those who violate the law and should serve as an example to those who have participated or might participate in the future in similar illicit activities. "We will act with the utmost vigor against the drug traffickers, their accomplices, and accessories since, for reasons of moral health, we Panamanians must struggle endlessly so that the national territory is freed from this infamous activity. Panama's national and international image must be safeguarded for the good of the Republic," the Panamanian president said in conclusion.

PARTIES TO BE ELIMINATED IN WAKE OF ELECTIONS

PA051834 Panama City CRITICA in Spanish 4 Jul 84 pp 1, 18

[Report by Mario Martinez Puente]

[Excerpts] Of the 14 political parties that participated in the elections for president and legislators on 6 May and for Corregimiento representatives on 10 June, half are about to be eliminated, according to unofficial figures provided by Dr Cesar Quintero, magistrate president of the Electoral Tribunal. The Popular Broad Front Party [FRAMPO], the People's Party, the Peoples Action Party [PAPO], the Popular Nationalist Party [PNP], the Panamenist Party, the Revolutionary Party of the Workers [PRI], and the Workers Socialist Party [PSI] are among those expected to be eliminated because they did not obtain the necessary 3 percent of the total valid votes cast in either of the two elections, as established in Paragraph 3 of Article 117 of the Electoral Code. According to Dr Quintero, there can be no talk of official figures because the tribunal must still resolve a large number of challenges. The political parties that will continue to exist because they exceeded 3 percent of the votes cast in the elections in which they participated are the Authentic Panamenist Party, the Democratic Revolutionary Party (PRD), the Christian Democratic Party, the Republican Party, the Labor Party (PALA), the Nationalist Liberal Republican Movement [MOLIRENA], and the Liberal Party. Three percent of the total number of valid votes in three different elections -- for president and vice president of the Republic, for legislators, and for Corregimiento representatives -- is needed for continued existence by the parties.

SOLANO ON NICARAGUAN DIPLOMAT RETURNED TO MANAGUA

PA051939 San Jose Radio Impacto in Spanish 1830 GMT 5 Jul 84

[Text] Augusto Cesar Montealegre Valle, a Nicaraguan diplomat, was sent back to his country this morning. He was detained by the National Security Office at the Juan Santamaria International Airport last night. This morning Public Security Minister Angel Edmundo Solano Calderon explained the situation in regard to this diplomat:

[Begin Solano recording] [Words indistinct] at the Juan Santamaria International Airport in regard to a Nicaraguan named Montealegre. He was [words indistinct] suspicious of past involvement in military actions prior to the fall of [words indistinct] Somoza government. It is believed he is a Nicaraguan diplomat. He is the Nicaraguan ambassador, let's say to Contadora, and of course this has been a difficult situation in every sense. Diplomats have immunity and privileges, and thus they can't be detained. For this reason, the three ministries had to [words indistinct] find a solution to this grave problem. The Intelligence Directorate decided that he should not enter Costa Rican territory, but on the other hand there were no planes for him to leave on immediately last night. This situation was resolved diplomatically by turning Montealegre over to the Nicaraguan Embassy, and the ambassador was told that he had to leave on the first flight this morning. [end recording]

In addition, the public security minister said that officials at the airport had said that the diplomat did not behave properly and, in fact, insulted local authorities. A report is being drafted on this for the Costa Rican Foreign Ministry, and this afternoon Foreign Minister Carlos Jose Gutierrez will hold a news conference to give the final details of this case, as it is a diplomatic matter.

PRESIDENT ACCEPTS LABOR MINISTER'S RESIGNATION

PA042157 San Jose Radio Impacto in Spanish 1830 GMT 4 Jul 84

[Excerpt] Deputy Labor Minister Jose Calvo Madrigal will head the Labor and Social Security Ministry from now on because Guillermo Sandoval Aguilar presented his resignation to President Monge this morning. Sandoval's resignation will be effective 31 July. Accepting Sandoval's resignation this morning, the president told the press:

[Begin Monge recording] The resignation was expected. Sandoval had said earlier that he planned to withdraw this year. I want to take advantage of the official announcement of his resignation to thank him for the good services he has given the government, recognize the talent and efficiency with which he served in the ministry, and wish him success in his new activities. [end recording]

MORA VALVERDE ON PVP LEADERSHIP, 'REAGAN DOCTRINE'

PA030354 San Jose LIBERTAD in Spanish 22-28 Jun 84 p 2

[Excerpts] At a public meeting held at the Plaza movie house on 18 June to commemorate the 53d anniversary of the founding of the Costa Rican communist party, Manuel Mora Valverde, the party's founder and secretary general, said that the Popular Vanguard Party (PVP) is still the Popular Vanguard Party, because the party belongs to its members, and it is the members who decide on the party's present and future plans, not any government tribunal.

Manuel Mora announced that the party will appeal to the Electoral Tribunal for a correct interpretation of the Electoral Code to ensure that the democratic rights of citizens belonging to a political party are respected. In this instance, Manuel Mora explained, the Electoral Tribunal, made up of three magistrates, was split when the time came to hand down a decision on the legality of the assembly convened by the Vargas-Ferreto group. The tribunal cannot disregard the thousands of PVP militants and members to whom the party rightfully belongs.

Manuel Mora said that he was certain that a consultation with the party's membership would clarify matters, demonstrating that the Vargas-Ferreto group is an empty shell temporarily vested with a political hat by the Electoral Tribunal. Mora warned that, in any case, one can change hats but not heads. "They can deprive us of our party's name, but the party itself, that is, its militants, its struggles, its principles, its closeness to the people, and its 53-year history, is here with us, stronger and more optimistic than ever," the PVP's founder and highest-ranking leader said.

Later on, the PVP secretary general commented on the political situation of the country and the Central American region. He remarked that the country is undergoing one of the most difficult periods in its history, and that at this point the most important thing to be thinking about is not the elections, but rather the formation of democratic and anti-imperialist forces to defend the country's sovereignty and peace, which are in serious danger.

He said that the Reagan doctrine has not changed. Reagan has declared Central America a zone of vital interest to the imperialists, he has occupied Honduras, he is prompting a ruthless and dirty war against Nicaragua, he is trying to crush the Salvadoran people by military force, and he wants to control Costa Rica to extend the military bases he has in Panama and turn our country into a battle zone against Nicaragua.

LIBERTAD EDITORIAL CRITICIZES U.S. 'MEDDLING'

PA032107 San Jose LIBERTAD in Spanish 22-28 Jun 84 p 2

[Editorial: "They Want To Make Us a Colony"]

[Text] U.S. Ambassador Curtin Winsor's aim is to militarize Costa Rica. He doesn't even hide his intentions. Everytime he stumbles, he catches himself and makes some kind of excuse like: "Excuse me, I must have upset you."

The IMF's aim is to impoverish Costa Rica. It says: "I'll lend you money, but only if you impose more taxes on the people, and if you do this or that." AID (International Development Agency, also Yankee-run) also is on our back. It has demanded that we enact anew monetary law. The law would imply that AID loans be made through private banks, not only the nationalized banking system. This is despite the fact that Costa Rica itself decided to nationalize the banks. The nationalization of banks is a democratic achievement that is there to make sure that loans respond to healthy production growth, not to the business interests of a handful of powerful businessmen. However, AID wants to help private banks and the powerful, and eliminate the nationalized banking system.

The U.S. Government, through its diverse agencies and agents, is increasingly meddling in our economy, politics, and social development more and more. When it sees that we are hungry, it overwhelms us by heaping on more debts. Through General Gorman, it tries to make us producers of war supplies that will be used in a war against our own brothers.

Where is our independence? Every time the United States pressures us, we yield and that is not all we do. Every time similar statements are made -- and ruling party deputies are saying them, pointing fingers at the guilty -- the government rushes to counter their statements saying that no one is pressuring Costa Rica. This means that if the government is being pressured, it is also trying to conceal that fact instead of protesting it. If it is not being pressured, then there is a saying that applies. "The derriere wants a beating, it is working hard to receive one."

In the meantime, LA NACION and LA REPUBLICA only discredit Contadora and insult the Nicaraguan people, heroes and martyrs of Central America. They continue recommending what the rich have always said when the people raised their fists in hunger: war.

And you, Costa Rica, what will you do?

EL SALVADOR

FORMER POLICEMAN ACCUSED IN U.S. CITIZENS' MURDER

PA050134 San Salvador EL DIARIO DE HOY in Spanish 4 Jul 84 pp 2, 9

[Text] The suspension of a ruling made by the 5th Circuit Court of San Salvador in favor of Lieutenant Rodolfo Isidro Lopez Sibrian has been confirmed. Lopez was accused of triple homicide and tried as an absentee prisoner.

The confirmation was made by the 2d Penal Court of San Salvador.

Lopez Sibrian was involved in the murder of U.S. citizens Michael Peter Hammer and Mark David Berman, and that of Jose Rodolfo Viera, president of Salvadoran Institute of Agrarian Transformation. The incident occurred around 3 January 1981 in a San Salvador hotel.

Two businessmen were formerly accused of the three deaths, but charges were dropped when no evidence of their involvement in the incident could be found.

After the trial of the two businessmen ended, former policemen Jose Dimas Valle Acevedo and Santiago Gomez Gonzalez surrendered, and said that they had perpetrated the triple homicide. However, Gomez also said that Lt Lopez Sibrian masterminded the crime. Lopez Sibrian had been discharged from the police force at the time.

The Attorney General's Office has already announced at the chamber that it will request a reversal of the decision in this case. This means that the case will once again be sent to the Supreme Court, where the Attorney General's Office has requested a reversal of the decision to drop charges against the two businessmen.

The former policemen's lawyers believe that the new request to reverse the judgment is only a delaying tactic to prevent the formation of a jury because the trial has been sent to the Supreme Court based upon the prisoner's confession.

The lawyers said that there is no proof against Lopez Sibrian apart from the accusations made by Gomez Gonzalez which could be legally denied because his accuser is a prisoner.

RADIO YSKL: FMLN GUERRILLAS SAID TO OBTAIN SAM'S

PA051944 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 5 Jul 84

[Report by Raul Beltran]

[Text] One of the latest reports made known in the country could change the course of war. Rumors not confirmed by Salvadoran military authorities indicate that FMLN guerrillas have obtained surface-to-air missiles. Of course, these missiles would be used against Salvadoran Air Force planes. This organization has been one of the most effective in the counterinsurgency struggle being carried out for the 4th consecutive year in various sectors of El Salvador.

ARMY, GUERRILLA OPERATIONS THROUGHOUT NATION REPORTED

PA042341 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 4 Jul 84

[Report by Raul Beltran]

[Excerpts] Reports from La Union Department in the eastern part of the country state that the military detachment stationed in La Union has continued to patrol the Pan-American Highway, the Coastal Highway, and the Military Route. According to military sources, some of their troops are also in other departments in the eastern part of the country participating in operations initiated at the beginning of this week.

It has also been confirmed that the towns of Anamoros, (Oloroz), and Nueva Esparta in the northern part of La Union Department fell under the rebels' power last night in view of the absence of the Armed Forces troops, who ended a counterinsurgency operation in this area last weekend. Details received from civilian and military sources also indicate that the leftist guerrillas attacked the towns of Anamoros, (Oloroz), and Nueva Esparta, where they have of course remained until today without firing one shot, in view of the fact that there were no security forces in these towns.

Until now patrols have been intensified, especially on the Military Route and the Pan-American Highway, to prevent leftist groups from initiating a new operation against the country's economy, or trying to intercept or damage buses for mass transportation of privately owned vehicles.

It was confirmed today that an operation was initiated yesterday in the town of Sesori, San Miguel, with the participation of approximately 1,500 counterinsurgency experts. They were supported by heavy military equipment, including artillery and airplanes. According to military reports, after the attack on Sesori and moving toward the northern area of the department in question, they began their first contact with the rebels in the afternoon. Thus far, the death of seven rebels and the wounding of two Armed Forces soldiers has been confirmed.

We also have information from San Miguel Department. The railroad is completely clear and free of obstacles after yesterday's heavy fighting, which occurred from approximately noon until 1700. According to military reports, the clash lasted for 6 hours, resulting in one death and an unspecified number of injuries. Civilian sources state that at this time the number of FMLN casualties is unknown. Railroad operations were reestablished yesterday afternoon.

Reports from the central part of the country state that FMLN forces detonated five explosive devices at 2300 last night on an equal number of posts holding high-voltage cables. The posts were located off km 28 on the northern trunk highway. This operation has left Chalatenango Department, the northern part of San Salvador Department, and La Libertad Department without electricity.

It was later confirmed that a clash occurred in Aguilares with troops guarding the bridge over (Rio Aselguate). The number of casualties resulting from this clash are also unknown.

RN-FARN COMMUNIQUE DENIES COPREFA CHARGES

PA031904 San Salvador EL MUNDO in Spanish 29 Jun 84 p 12

[Text] We have received the following communique from the National Resistance-Armed Forces of National Resistance [RN-FARN]:

"In view of the tendentious assertions made by the Armed Forces Press Committee, COPREFA, through various communications media in communique entitled 'Members of the RN-FARN Pretend To Be Members of the Secret Anticommunist Army, ESA,' (see newspapers) and 'Terrrorists Act Under the Name of ESA' (also see newspapers), the RN-FARN wishes to make the following clear to the peoples of El Salvador and the world:

"1. The COPREFA communiques, which are devoid of either ethics or seriousness, are an example of typical government maneuvers to discredit the revolutionary movement and to justify the regime's repression of the people's labor union organizations.

"2. The objective of COPREFA's propaganda campaign is to create a smokescreen to hide a reality of which the Salvadoran people are already aware, which is the fact that the death squads are closely linked to the security forces.

"3. Acting with great contempt, COPREFA has tarnished the Armed Forces' honor, morals, and professional ethics by coming out in defense of the ESA, which is an unconstitutional organization.

"4. We urge all honest and patriotic soldiers, NCO's, and officers to demand a public explanation from COPREFA of its irresponsible action. It must explain why and since when, being the foremost spokesman for the Armed Forces, it has become the defender of and spokesman for the ESA.

"5. The ESA is led by three high-ranking Armed Forces officers; sooner or later, and sooner rather than later, wherever they may be, our people will make them pay for the fact that so many fellow countrymen have been tortured and killed or are missing.

"6. Our organization does not act in a spontaneous or obstinate manner or without controlling its members, as happens within the bourgeois Army.

"Our organization is composed of truly disciplined cadres that struggle for the definite liberation of our beloved people.

"People, do not let yourselves be deceived. The ESA and COPREFA are the same thing. Armed struggle today, socialism tomorrow. For the revolution until death!

"RN-FARN, a member of the FMLN."

FARABUNDO MARTI DENIES FMLN PURCHASED SAM'S

PA060340 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 6 Jul 84

[Text] Attention Salvadoran people, local and foreign press. We want to call your attention to the false reports made by the chief of the gringo military advisers in our country who said that our FMLN has purchased Soviet SAM-7 missiles. This statement was reinforced today by the Yankee super ambassador in Central America, Harry Shlaudeman, and the super betrayer Jose Napoleon Duarte. The FMLN wishes to state that it is not true that we purchased this type of weapon. The statements by U.S. officials are being broadcast at a time when the Salvadoran puppet Army has been weakened, having lost its tactical initiative in combat, and at a time when our people have given them one of the hardest blows since the war in El Salvador began.

The statements by U.S. officials have a political and military objective of a strategic nature. They have realized that none of their tactics have managed to exhaust, much less annihilate, the FMLN. No amount of weapons, reorganization of troops, or increase in advice or leadership for the puppet Army has had positive results. What the Yankees are attempting to do in El Salvador is to escalate the war and escalate it with the most sophisticated military materiel, to increase the number of weapons, increase the logististic supply for the puppet Army, and increase the useless training of that Army's troops and, in the end, create the necessary conditions for U.S. troops to invade our homeland to save the puppet Army from a sure defeat. However, all they will achieve is the expansion of the river of blood that bereaves our homeland, an increase in the desolation and destruction in rural areas, and an extension of a war that they have already lost because they do not have the support of the people for their unjust war -- a war of imperialist aggression.

We remind the Yankee warmongerers of their tragic defeat in Vietnam. In conclusion, we wish to tell the U.S. Administration that the weapons carried by the Salvadoran workers are the weapons we have recovered, in combat, from the Army they train and direct. If they escalate the war and introduce more sophisticated weapons, let them rest assured that these weapons will be recovered by our people sooner or later and fired against the puppet Army's troops, military means, and installations.

NATIONAL RESISTANCE COMMUNIQUE ON ACTIVITIES

PA051805 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1200 GMT 5 Jul 84

[National Resistance communique issued "to our heroic people, the FMLN and FDR sister organizations, and the other peoples of the world" in El Salvador on 3 July]

[Text] With revolutionary gladness we report on the successful completion of all party activities that began in June 1983 with preliminary councils. These councils were followed by the Central Committee's third regular session and the fourth National Council of Delegates. These events culminated with the Central Committee's fourth regular session on 23 May 1984. All these meetings were held in the middle of a war in El Salvador.

Since June 1983 the National Resistance has engaged in preliminary preparations in which all its militants participated and democratically expressed their political stances and their criticisms, both of others and themselves, so that our party could be prepared to help the progress of the revolutionary struggle in the framework of the FMLN's revolutionary unity to build a more just society.

These meetings, which we describe as preliminary councils, ended by contributing several accords and documents presented by every party's sector in January 1984. In March 1984 our Central Committee held its third regular meeting to evaluate the party's and the FMLN's internal situation and analyze the national and international situation. The committee reached the following conclusions:

1. The revolutionary situation in El Salvador has continued. The FMLN has created the conditions for an advance and progress in our people's struggle, thus ensuring the victories attained.

2. We are in a new historic stage of the struggle with a new government, the Duarte government, which will not be able to solve our people's main problems or meet their needs.

3. The Ronald Reagan administration threatens to invade El Salvador. With this in mind, the administration has militarily occupied Honduran territory to use it as a base for aggression. The administration also maintains a series of land, sea, and air exercises in Central America and the Caribbean to expand the local war against our people and the Nicaraguan people and their revolution. The unity of the FMLN, a key factor for victory, and the alliance with the Revolutionary Democratic Front, have made progress because, today more than ever, there is a political willingness by all our organizations to strengthen this unity.

On 4 May 1984 a meeting of our highest party authority, the National Council of Delegates, came to an end. During its fourth plenary session, this council discussed and approved the National Resistance's statutes and the minimum program to be followed. In addition, this council confirmed the Central Committee's members and elected the first and second secretaries of the political commission, thus strengthening the ideological, political, and organizational unity of our revolutionary party. The fourth National Council of Delegates acknowledged:

1. Important progress has occurred in the FMLN's organization and military activities with the consolidation of its brigades, battalions, and garrisons, as well as of all its other military territorial units composed by local guerrillas and militias.

2. There has been important progress by all the FMLN's organizations in the building and consolidation of its party structures, thus enriching not only the theory of the Salvadoran revolution, but its practical advances that make us, as a revolutionary unit, a real alternative for power.

3. We have made mistakes in the organization of our party. These mistakes were discussed and specific steps were taken to correct them.

4. We are in the process of overcoming all forms of hegemony and sectarianism in the FMLN's unity. Despite all efforts by our enemies, the revolutionary unity is irreversible.

5. The FMLN is the Salvadoran people's historical vanguard.

The fourth National Council of Delegates stressed that, by virtue of our people's firm willingness and heroic stance, political and military achievements have been attained in the people's revolutionary war against the military dictatorship [words indistinct] people led by its vanguard, the FMLN, this struggle's main participant.

On 23 May 1984 the Central Committee, during its fourth regular meeting, elected the National Resistance's political commission, which is composed of Ferman Cienfuegos, Leo Cabral, Ruben Rojas, Eduardo Solorzano, Cano Guevara, Marcos Jimenez, Santiago Ramirez, Tomas Ramirez Quiroz, Lazaro Pena, and Raul Hercules.

This political and military organization will strengthen not only our party, but the FMLN's unity and its alliance with the FDR.

Upon successfully completing all the planned events, the National Resistance considers all the planned events, the National Resistance considers that the holding of party meetings of all FMLN's sister organizations in the country's interior in the midst of war constitutes another political victory by our people. The National Resistance sends revolutionary and brotherly greetings to:

1. The meeting of the Central Committee of the Salvadoran revolution.

2. The (?mission) of the Communist Party of El Salvador's Central Committee.

3. The plenary session of the Political Commission of the Revolutionary Party of Central American Workers.

4. The plenary session of the Political Commission of the Farabundo Marti People's Liberation Forces.

These party meetings have strengthened every organization and the FMLN. The bases have been laid for the advance our people have longed for so much, namely the formation of a single party of the Salvadoran revolution. The National Resistance Political Commission makes an appeal to our people.

Political and military clashes and battles will soon occur to defeat the fascist counterinsurgency clique that is surrendering our homeland's sovereignty to foreign interests, even to the point of committing high treason by requesting the imperialist troops' armed intervention.

It is necessary that the working class, peasants, state workers, store clerks, small- and medium-sized businessmen, the patriotic sectors of the Armed Forces officers, the Salvadoran Army's troops forcefully recruited, and all democratic, progressive, and patriotic forces (?march) with the FMLN to find a political solution for the country's armed conflict in order to save our homeland and prevent war in Centerl America.

For the revolution, until victory. United to fight until final victory. Revolution or death, we shall win.

GUATEMALA

PDC MAINTAINS LEAD WITH 95 PERCENT OF VOTES COUNTED

PA051858 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 5 Jul 84

[Text] After ballots in 3,963 boxes from last Sunday's elections have been counted, the Guatemalan Christian Democratic Party [PDC] still leads. Some 95 percent of all votes have been counted.

The official results released a few hours ago by the Supreme Electoral Tribunal are as follows: PDC, 308,175 votes, or 15.58 percent of all votes accounted for; Union of the National Center, 263,019 or 13.30 percent; National Liberation Movement-Nationalist Authentic Central coalition, 239,144, or 12.09 percent; Revolutionary Party, 137,718, or 6.96 percent; National Renovating Party, 126,635, or 6.40 percent and Democratic Institutional Party, 99,323, or 5.02 percent.

The other parties that participated in the elections attained less than 3 percent of the 1,988,253 votes counted so far.

PDC LEADER ON MILITARY IN POLITICS, 'VICTORY'

PA051504 Panama City ACAN in Spanish 1838 GMT 4 Jul 84

[Excerpt] Guatemala City, 4 Jul (ACAN-EFE) -- The Christian Democratic Party (PDC), virtual winner of the constituent assembly elections, has announced that military men will not be allowed to run for public posts until 4 years after having been discharged from the Army. PDC leader Vinicio Cerezo, a presidential candidate, today told the press that "under the guidelines of a Christian Democratic government, the military men must have been discharged from the Army 4 years before being allowed to run for public posts."

When asked about his party's success in the elections for constituent assembly members held on Sunday in Guatemala, Cerezo answered: "It gives us great satisfaction. It is not a party victory, but a victory of the entire people. The results point to the searc for a centrist and democratic movement." He added that his victory was due to his party's good organization throughout the country and to the consistency maintained for more than 21 years of struggle to achieve democracy. "The new constitution," he indicated, "will have profound human content and will uphold the principle of restricting presidential power, which must be interpellated through congress." The PDC leader then recalled that over 320 party members have died, victims of political violence, from 1979 to date.

ELECTION RESULTS, FUTURE CONSTITUTION VIEWED

PA051846 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 5 Jul 84

["Focus" segment of "Guatemala Flash" program]

[Text] After several hours of anguish, fear, and uncertainty, our fatherland has begun its process of democratization. For many years Guatemalans have not had clean and honest elections in which our enduring people could express their political interests once and for all. This has been one of the few times the people could vote freely, without pressures, threats, or restrictions, which has resulted in the election of a democratic national constitutent assembly.

However, there is still much to be done. We are only at the beginning of the process. We have prepared the foundations, and from this moment we must start building the image and spirit of our fatherland, so that in the future our children can look forward to the future with a smile.

We are all aware of the electoral results. A few hours ago the Supreme Electoral Tribunal reported on the latest computerized returns, which showed the Christian Democratic Party, PDC, leading in the vote count, followed by the Union of the National Center, UCN, and the National Liberation Movement-National Authentic Central [MLN-CAN] coalition. We need not comment on this. We already know who will be in the assembly, we know who has won the elections, and we also know that our people want profound changes, new horizons, and a real democracy, because they want to live in peace and to see our country moving ahead amid the convulsed Latin American nations, currently downtrodden and stricken by injustice.

In our previous programs we demanded an honest and democratic process. We also demanded honesty on the part of politicians, in order to join efforts to solve the hundreds of problems affecting Guatemala. Tonight we must again insist on the same demands. It is now that our destiny is really at stake, because the ninth Guatemalan constitution could lead our country in three different directions: a free path, a somber path or a path with conditions. Any one of these is a possibility, and this is why we must be demanding. By demanding, we can live in peace. If we remain silent, we could have to face bitter injustices again.

Before the new Guatemalan constituent assembly is sworn in, we should analyze our previous constitutions. They all had some good things and many mistakes. They lacked the democratic participation of all the existing ideological sectors and obstructed the development of the popular classes in our fatherland. Even the latest Constitution, created in 1975, discriminated against the Indian sector, beginning with their language. This is where Guatemala's gross mistakes, for which all Guatemalans have had to pay, began.

All these concepts should be considered by the 88 deputies who will be in congress. They must first analyze each of the previous constitutions and then work toward a new democratic model for Guatemala. Undoubtedly, the success of the past 1 July elections will depend on this.

Another topic that should be analyzed by all Guatemalans is the absence of political leaders. This may seem absurd and senseless, but it is the plain truth. Unofficially, the PDC got the majority of votes in last Sunday's elections, but this majority represents only 15.8 percent. This means that 84.2 percent of the Guatemalan electorate did not vote for the PDC, and we must keep this in mind, as this represents the majority of our people. This high percentage that voted for another party or simply abstained from voting are also part the people: peasants, workers, and professionals who also have needs and are affected by the current situation in the country.

Based on the electoral percentages, we foresee that the March 1985 presidential elections will be difficult. No leader will win, as we have no leader who fights alongside the people. The best government platform will win in March 1985, because we are in need of a good government platform to overcome our problems.

A new constitution will rule our destiny; it will seek the democracy and liberty we long for. But will it give us the development we need? The constitution will simply be our guarantee for the future, but Guatemala's future depends on all Guatemalans and not on small minorities, not on 17 scant minorities with the same aspirations for power.

Already this afternoon there were rumors about alliances among the various political sectors in the country. It is rumored that one of these alliances will be made up of all the rightist sectors, while the other will be made up of the democratic left groups. It seems silly to divide the world into political groups, but we are used to politics and must accept it as part of our destiny. The destiny of human beings depends on politics; We suffer for politics; we kill for politics. Therefore we must create a kind of politics capable of maintaining peace. Who will have the adequate solution? Undoubtedly the solution lies in the democratic spirit of all Guatemalans, a spirit with no ideological ties but full of gratitude and spirituality.

We must then conclude that it is time to give up past resentments. The Guatemalan people no longer want to hear about extreme rightists or ultraleftists. The Guatemalan people want to live in peace, want development and integration. Guatemala wants to be a normal country, to be just like any other nation in the world, to progress, to have more professionals, and to create stable homes. Guatemalans are tired of hatred, resentments, and struggles for no cause. After years of uncertainty they have expressed one single desire: democracy. This was the real winner of the elections, and no one can deny this. Politicians today have a responsibility to the people, as the people have told them that democracy is obtained through effort and dedication, not with hidden arrangements and [word indistinct].

URD LEADERS DENY DEMOCRACY EXISTS IN COUNTRY

PA052257 Guatemala City PRENSA LIBRE in Spanish 5 Jul 84 p 2

[Text] Democratic Revolutionary Union [URD] leaders have described statements by those who say that there is a democracy in Guatemala and that in the future constitution our democratization will be firmly established as fallacious and a joke.

The greatest proof that this will not happen is the sad and painful disappearance of dozens of Guatemalans, the mutilated bodies that appear on roadsides, and the innumerable crosses on the soil of the fatherland. It is said that kidnapping and torture have displaced but not annulled the justice tribunals for a long time. The death squads, paramilitary bands, and assassin groups have done the same with the different police forces that have not been capable of fulfilling the role for which they were created.

HONDURAS

PAZ BARNICA ON CONTRAS' PUNISHMENT, U.S. TREATIES

PA052118 Paris AFP in Spanish 2033 GMT 5 Jul 84

[Text] Tegucigalpa, 5 Jul (AFP) -- Honduran Foreign Secretary Edgardo Paz Barnica today announced that this country "will not accept" the presence, and "will punish" the activities of Nicaraguan counterrevolutionaries. He warned that the military cooperation treaties with the United States will be "reviewed."

Local commentators interpreted the decision adopted today by the Security Council, which includes Honduran President Roberto Suazo Cordova and the military high command, as an "important turn" in the Honduran Government's foreign policy.

The Honduran Government has always denied the existence of anti-Sandinist camps, armed and financed by the Reagan administration, on the southern border. This has been denounced by the Nicaraguan Government and U.S. media. However, since the fall of the former Armed Forces chief, General Gustavo Alvarez, in March and his replacement with President Suazo's friend, General Walter Lopez, the Honduran stance regarding the "contras" began to change quite noticeably.

"We cannot accept the presence of counterrevolutionaries in Honduras and this country will never lend itself as a springboard for aggressions against others. We are a nation led by a government that directs its foreign policy toward peace," the foreign secretary stressed. The foreign secretary added that "if there are foreigners who violate the laws to the detriment of any other country, they will be punished."

ARMY PATROL, EPS TROOPS CLASH IN LA CANOA

PA052212 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 5 Jul 84

[Text] Residents of La Canoa sector reported to this station that on the mornings of Monday and Tuesday, 2-3 July, there were two armed clashes between the Sandinist People's Army [EPS] and the Honduran Army in the La Canoa sector of El Triunfo Municipality. They said that the EPS might have suffered some casualties, but they could not confirm this. As usual, the EPS crossed the Honduran border under the pretext of trying to round up stray livestock to take it back to Nicaragua. In reality, however, they were searching for counterrevolutionaries that only exist in their imagination. On this occasion the EPS troops ran into a Honduran Army patrol and immediately opened fire on it. THe shootout lasted approximately 1 hour on each of the days previously mentioned. The Honduran Army repelled the attack pushing the EPS units back into Nicaraguan territory, from where they continued firing their weapons. We are certain that these provocations will continue for an indefinite time and that our fellow citizens must tolerate them, trusting that the Honduran Army will continue controlling the border zone ready to repel any attack.

NICARAGUA

D. ORTEGA SENDS MESSAGE TO U.S. PEOPLE, CONGRESS

PA051417 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jul 84

[Commander of the Revolution Daniel Ortega message "to the U.S. people and Congress," dated 4 July -- read by announcer]

[Text] To the people and Congress of the United States of America:

On this 208th anniversary of your declaration of independence, the Nicaraguan Government and people want to once again reaffirm their admiration for the principles on which your great nation was founded thanks to revolutionary zeal.

The U.S. people have defended their unforfeitable right to life, liberty, happiness, national sovereignty, and self-determination.

Only 5 years ago Nicaragua initated a similar search to secure and consolidate these universal rights, but because of a tragic reversion, the current U.S. Administration is trying to defeat our efforts aimed at building a true democracy in freedom and for the defense of national sovereignty and the self-determination of the people.

In violation of the principles that were born with the Declaration of Independence 208 years ago, the U.S. Government breaks international laws, uses force illegally, and spreads terror, destruction, and death in our territory.

Nicaragua, a country that respects international law, has responded to continuous and growing threats by appealing to the International Court of Justice, which has ordered the U.S. Administration to stop violating the principles of international law.

However, the U.S. Government, in an unaccustomed action, has not only disobeyed the prestigious international juridic organization, it is also persisting in its campaign of imposing an unjust and bloody war on our people.

Nicaragua, like the United States, wants to forge its own future, without meddling of any kind, and, just as Washington, Jefferson, and Lincoln struggled with patriotism and dignity for a nation of free men and women, for a nation where justice, equality, and fraternity would serve as a foundation for the building of a new society. Here in Nicaragua Zeledon, Sandino, Rigoberto, and Carlos Fonseca struggled for the same principles.

With our first national elections this November, which will virtually coincide with yours, Nicaragua is trying to choose and institutionalize a government whose power will be derived from the consent of the governed. We hope that the U.S. and Nicaraguan people, loyal to the same principles of respect for human rights and international law, will be able to forge a path leading to lasting peace and friendship based on mutual respect and national sovereignty.

Managua, 4 July 1984

After 50 years, Sandino lives.

[Signed] Commander of the Revolution Daniel Ortega Saavedra, Coordinator of the Junta of the Government of National Reconstruction of Nicaragua.

DIPLOMAT'S DETENTION IN COSTA RICA PROTESTED

PA052001 Managua Radio Sandino in Spanish 1911 GMT 5 Jul 84

[Foreign Ministry communique issued in Managua on 5 July; read by Manuel Espinosa Rivera, director of the Foreign Ministry press office -- live or recorded]

[Text] The Nicaraguan Foreign Ministry reports to the public:

On 4 July Costa Rican authorities detained Nicaraguan Ambassador Augusto Montealegre at San Jose's Juan Santamaria Airport, as he was taking his luggage out of the building. Ambassador Montealegre was detained by police officers who threatened and insulted him. Ricardo Wheelock, another Nicaraguan diplomat who was with Ambassador Montealegre, made justified protests to the police officers, who in turn responded with unfounded accusations against the ambassador. Ambassador Montealegre, who at all times carried a valid diplomatic passport, was released after being held incommunicado for 6 hours.

We must point out that Mr Montealegre is traveling in the capacity of ambassador on a special mission; thus he enjoys international privileges and immunities that authorities of every state must respect in accordance with international law. We recall that Ambassador Montealegre visited Costa Rica recently to meet with Costa Rican Deputy Foreign Minister Urbina. The Nicaraguan diplomat headed the Nicaraguan political affairs committee created by the Contadora Group.

The Nicaraguan Government is sincerely astounded by the fact that Costa Rican authorities are attempting to justify an illegal action by making untrue and irresponsible accusations which we see no need to respond to. The Nicaraguan Government wishes to express its concern over these developments in view of the fact that they respond to the Central Intelligence Agency's plans to promote tension between the two countries and affect Costa Rica's neutrality policy. The Nicaraguan Government has forwarded a protest note to the Costa Rican Government in which it requests due sanctions for the Costa Rican authorities responsible for these actions and in which it demands the explanation and satisfaction to which the Nicaraguan Government is entitled. At the same time, various friendly governments are being informed of these developments.

SECURITY CHIEF ON CIA 'BLACK MOON' OPERATION

PA051402 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jul 84

[Text] At an event held yesterday to honor the deaths of nine combatants of the Interior Ministry's Pablo Ubeda troops, Commander Lenin Cerna, chief of the General Directorate of State Security, denounced a new and sinister CIA plan, known as Black Moon, whose aim is to continue sowing horror and death in Nicaragua.

This plan consists of launching an offensive along the northern border to control a part of our national territory in order to establish a provisional government that would allow the Reagan administration to carry out direct military actions against our country under the guise of quote, peaceful forces, unquote. Similar attempts have been foiled in the past.

Commander Cerna said that the Black Moon operation involves approximately 4,500 Nicaraguan Democratic Force [FDN] members who, with the support of the Democratic Revolutionary Alliance [ARDE], and the Miskitos, Sumu, Ramas [MISURA], will seek, among other things, to promote insurrection in towns and establish control over affected areas.

The officer noted that the plan was to be put into effect by counterrevolutionary regional commands Rafael Herrera, Segovias, and Diriangen, under the leadership of Tony, an infamous assassin of the Basic Infantry Training School [EEBI]. Cerna explained that this operation was reportedly to begin with an attack on Wamblan, (Plan de Grama), and San Jose de Bocay, followed by strikes against Wiwili and San Juan del Rio Coco. In this regard, Cerna said that the Jorge Salazar counterrevolutionary regional command is trying to control the Matiwas-Rio Blanco road and stage ambushes on the Matagalpa-Matiwas road with the idea of attacking the Patriotic Military Service's Mulukuku, Rio Blanco, Waslala, and King Schools.

Expanding on this report, we can confirm to you that the sinister CIA plan known as Black Moon also included attacks on and sabotage actions against economic targets, not only on the northern border but in cities such as Esteli, Chinandega, and [name indistinct]. This was also disclosed by Cerna, who added that the plan contemplated attacks on Paiwas and (Banco de Chiquia) in southern Zelaya. These attacks were to be carried out by a counterrevolutionary force of the FDN's so-called southern front.

This vast CIA plan includes attacks on Somoto and sabotage actions against electric generators in border towns, Cerna noted, explaining that these criminal acts were to be carried out by the Nicarao regional command. He added that the characteristic of this new CIA activity is identical to former ones, which is to avoid combat and to attack from behind as well as to kill peasants, technicians, brigade members, and, in sum, to sow terror, sabotage, kidnapping, and cowardly ambushes.

CULTURE MINISTER: SHIP'S CARGO INTENDED FOR CONTRAS

PA051827 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jul 84

[Text] San Juan, Puerto Rico -- Nicaraguan Culture Minister Ernesto Cardenal has reported that the Panamanian-registered vessel that is docked at a San Juan port is carrying explosives to the Nicaraguan counterrevolutionaries operating out of Costa Rica. The minister, who is visiting Puerto Rico, said that the cargo aboard the CIA-sponsored Freedom includes 17 containers of explosives that will be unloaded at the Costa Rican port of Limon. Cardenal stated that the vessel's presence in San Juan is new evidence of the policy of international terrorism being conducted by the Reagan administration, which is also attempting to destroy Costa Rican President Monge's policy of neutrality in the Central American conflict.

FOREIGN TRADE MINISTER VISITS IRAN, MEETS OFFICIALS

For Tehran and IRNA coverage of the visit to Iran by Foreign Trade Minister Alejandro Martinez and reports on his meetings with Iranian Commerce Minister Hasan Abedi-Ja'fari, Foreign Minister 'Ali Akbar Velayati, Prime Minister Mir-Hoseyn Musavi, and Speaker of the Majlis Hashemi-Rafsanjani, see the Iran section of the 3 July South Asia DAILY REPORT and subsequent issues.

FSLN'S FLORES ORTIZ ON ELECTORAL LAW REFORM BILL

PA052345 Managua Radio Sandino Network in Spanish 1200 GMT 5 Jul 84

[Excerpts] Dr Mario Flores Ortiz, FSLN representative to the State COuncil, has described the bill to reform the current electoral law -- presented yesterday by the Social Christian Party -- as a political document.

[Begin Flores Ortiz recording] The document seems to be prepared for foreign consumption. It tries to influence other opinions and to (?lead) others' thinking on a course different than that of the Nicaraguan people.

We must assume that the document has already been disclosed in other countries and that the well known transnationals will take care of it. [end recording]

The document also states that the state of emergency has made the exercise of the political parties' few rights impossible, while the FSLN has carried out its campaign since 19 July [1979]. Companero Florez Ottiz refuted this:

[Begin Flores Ortiz recording] In other countries, these events are either unknown or only partially known. For us, however, they are a recent past in which all of us -- to a greater or lesser degree -- have been protagonists or spectators.

What other flag, besides the FSLN's, flew in Nicaragua on 19 July 1979? This political line, this persevering campaign explains the masses' support and their willingness to continue struggling to defend our sovereignty and self-determination. However, it is not advisable to say this. It is necessary to remain silent about it, to hide it so that those abroad believe we live under a terrible dictatorship sheltered by an emergency law, and that we need mercenary forces to come to rescue us from such a sad situation. [end recording]

CSE OFFICIAL ON MEASURES TO PREVENT FRAUD

PA032003 Managua Radio Noticias in Spanish 1200 GMT 3 Jul 84

[Text] Roberto Evertsz, a high-ranking official at the Supreme Electoral Council [CSE] has said it is implementing a system that will make fraud impossible. Here are his remarks:

[Begin recording] [Evertsz] We have entered what we in the CSE term the final stretch in our progress toward the registration period, which is the last 4 days of this month. We have set 7 July, or the end of this week, as the date for the publication of the vote-receiving boards in the regions and special zones. We have entered that phase. We are now putting on the finishing touches, for the publication of these boards is essential. In addition to being required by law, it will help the voters to know where they must register. It will also help the political parties, in that they may send their inspectors to wherever the vote-receiving boards will be installed.

[Unidentified reporter] Does this guarantee that there won't be any fraud?

[Evertsz] Yes, the [words indistinct] of the vote-receiving boards, doing so publicly guarantees the honesty of the electoral process. We have absolutely nothing to hide from the Nicaraguan people or from our friends abroad. Therefore, the installation of the vote-receiving boards will be publicly disseminated by all of the media.

[Reporter] What penalties will be applied to those who do not register?

[Evertsz] The law establishes that since citizens have the obligation to register, those who do not do so for a reason that the electoral councils views as unjustified can hold neither elected nor appointed government posts for 3 years. When we speak of government posts, we are not talking about all government employees, but about those officials who have a jurisdictional position. That is the kind of penalty. [end recording]

'TROTSKIYITE' PARTY AIDE ON REQUEST FOR LEGAL STATUS

PA032315 Managua Radio Noticias in Spanish 1600 GMT 3 Jul 84

[Report on an interview with (Bonifacio Miranda), from the Revolutionary Marxist League Party, by unidentified reporter on 3 July]

[Text] A Nicaraguan Trotskiyite has said that his group feels politically isolated and that their requests to the government have only met with silence. They are now applying for legal status to participate in the elections. (Bonifacio Miranda), from the Revolutionary Marxist League Party [Partido Liga Marxista Revolucionaria] made the following statements to "The Awakening" newscast this morning.

[Begin recording] [(Miranda)] Our party was born in 1971 as the result of a decision by the Revolutionary Student Front, FER, which -- at that time -- was an organization of university students. Our outstanding characteristic was our struggle for socialism and the mobilization of workers as means to defeat the dictatorship within our struggle for socialism. In 1975 we organized the Revolutionary Marxist League and adopted a Trotskiyite line because it was the most advanced line within the workers movement. We are currently engaged in a campaign to obtain legal status for our party because we feel that we must participate in the 4 November elections.

[Unidentified reporter] What (?steps) have you taken to achieve legal status?

[(Miranda)] We initially sent an open letter to the State Council, which was published by the newspaper LA PRESNA, on 3 December [year not specified], asking for legal recognition and for admission to the State Council because our organization consistently fought against the Somozist dictatorship and because we struggle for socialism. We sent a second letter to the government junta on 24 May 1982; a third letter during the symposium of the political parties; and a fourth letter on 24 January of this year. Today we sent a fifth letter to the National Council of Political Parties [CNPP] and met with CNPP President Hugo Mejia. We have always met with silence and a policy of isolation toward us. However, we now feel that we must struggle against all this because we have the democratic right of being recognized as a revolutionary party in view of the fact that we fought against the dictatorship and continue to struggle for this revolution's advancement. In addition, we want to participate in the elections with our own candidates. [end recording]

VOICE OF SANDINO REPORTS ON ARDE ACTIVITIES

'Heavy Fighting' in Central Zelaya

PA051722 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 4 Jul 84

[Text] There is heavy fighting in central Zelaya. Gilblas, our commander on the Atlantic cosast, specifically in central and southern Zelaya, has reported to us, as an advance of a war bulletin which we will broadcast later, an action carried out by our Democratic Revolutionary Alliance [ARDE] army in El Tortuguero in central Zelaya. This attack was led by Companero Jucul. The attack on El Tortuguero was carried out successfully. We killed 43 and wounded 10 members of the interventionist Army. These figures will be confirmed in the corresponding war bulletin. Gilblas added that our ARDE revolutionary forces have control of the central region on the country's Atlantic coast. He also said that an ARDE group headed by Companeros Jaco and Julio attacked (San Patrone), killing two members of the pro-Soviet Sandinist People's Army [EPS] and controlling the community for 2 days. Our guerrilla forces retreated to our liberated territories.

An ARDE group headed by Companero Pravi attacked a military launch on the Prinzapolka River and killed 15 EPS members.

Our revolutionary forces operating in central and southern Zelaya under the command of Gilblas continue to launch offensives throughout the territory that is close to our camps, and this fighting is moving to the country's central and northern regions.

Attack on EPS Post

PA051728 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 4 Jul 84

["Interim General Command" of the Revolutionary Alliance, ARDE, Armed Forces War Bulletin No 247 issued in Sarapiqui, "free territory of Nicaragua," on 4 July]

[Text] The Interim General Command of the ARDE Armed Forces reports to the heroic Nicaraguan people and the world's friendly peoples that:

1. At 1400 on 27 June, the heroic General Francisco Estrada Column of the Sandino Revolutionary Front, of the Piranha unit, under the command of Companeros Toribio and Erclin, attacked the pro-Soviet Sandinist People's Army [EPS] command post in Los Laureles, Nueva Guinea jurisdiction.

2. Our army of workers and peasants occupied the Los Laureles command post for 2 hours. The interventionist Army fled in disarray, leaving six dead behind. We destroyed the post completely.

3. In this operation our revolutionary army recovered one AK-47 with registry No 4572, packs, and a large quantity of ammunition.

4. We must deplore the heroic death of our Companero Aquilino Garcia Salgado, whose nom de guerre was El Arrie.

Onward companeros peasants, workers, and peasant insurrection!

We will not stop fighting until our homeland is free of all Cuban, Soviet, Czechoslovak and other mercenaries and all the evil Nicaraguans who have turned our country over to the Soviet orbit!

Onward Nicaraguan people!

If we defeated Somozism, we will defeat communism!

Without totalitarianism or a return to the past!

[Signed] Commander Ramon, Interim Commander of the ARDE Armed Forces

RADIO 15 SEPTEMBER CITED ON LATEST FDN ACTIONS

PA052149 Panama City ACAN in Spanish 1602 GMT 5 Jul 84

[By Armando Cerrato]

[Text] Tegucigalpa, 5 Jul (ACAN-EFE) -- The opposition Nicaraguan Democratic Force (FDN) reported here today that it "wiped out" two Sandinist artillery battalions and seized war materiel.

According to a bulletin read over the clandestine Radio 15 September, the fighting occurred in Boaco Department on 2 and 3 July, and the actions were led by the Pancasan Task Force.

The rebels seized a 105-mm cannon and a large quantity of ammunition for it, 45 AK-47 rifles and their ammunition, 30 packs, military uniforms, and boots. They also killed 85 soldiers.

The FDN reported three dead, four wounded and none missing. Therefore, the ambushes are thought to be a complete success.

The station also stated that the fighting has been very heavy and included the participation of regional commands "which, according to the propaganda of Sandinist media, were liquidated."

The station said that the heaviest fighting occurred in Boaco, Jinotega, Matagalpa, and Chontales Departments with "good results for the rebel forces."

The radio station sent greetings to the "combatants on the recently opened southern front" and congratulated them for destroying the "Jorgito" garrison in Chontales Department in early May.

According to the anti-Sandinist war bulletin, the rebel forces in the country's south killed approximately 200 Sandinist combatants, recovered 123 AK-47 Soviet rifles, 1 RPK machinegun, 2 RPG-7 grenade launchers, 3 M-80 grenade launchers, 1 box of hand grenades, 85 BZ rifles, packs, boots, 19,500 cartridges, and other war materiel.

According to these figures, the rebel station described the Sandinist People's Army as "a disorderly force that attacks in human waves like a mass without any tactics."

Meanwhile, it was reported in Jinotega that rebel forces clashed near Nubes de Kantayawas and the Wales Hill in the country's north central region.

According to the rebels, these locations were guarded by two Battalions for Unconventional Warfare, BLI, which were dismantled when their combatants fled in view of the strength and firepower of the guerrillas.

According to the station, the bodies of 40 soldiers, 2 82-mm mortars, 3 RPD machineguns, 1 RPG-7 grenade launcher, 12 AK-47 rifles, and 1 long-wave radio were left behind.

Other actions occurred on a stretch of a road where the rebel forces destroyed two Sandinist trucks, one of them carrying 1,500 gallons of gasoline.

NATIONAL ASSEMBLY 6TH REGULAR SESSION OPENS

Castro Remarks

FL051859 Havana Television Service in Spanish 1700 GMT 5 Jul 84

[Excepts] With Fidel Castro, president of the Councils of State and Ministers, in attendance, the 6th regular session of the 2d legislature of the People's Government National Assembly [ANPP] opened this morning. At exactly 0900 on the dot, ANPP President Flavio Bravo declared the session open, with 93.8 percent attendance.

Present during the morning session were Pedro Pires, adjunct secretary general of the African Party for the Independence of Cape Verde, and a delegation of Mexican legislators. After ratifying the actions of the previous session, the delegates were informed of all decree laws approved by the Council of State since the previous session.

Adolfo Valdivia, chairman of the Health Committee, read a report on institutional care of the aged. The report was approved by the assembly. Later, the commander in chief gave a special speech:

[Begin Castro recording] We are talking about 751,000 people who are over 65. Well, we have also been concerned about the children, about children's centers -- we have established hundreds of centers; schools, we have set up thousands of schools; we have trained teachers and teachers -- more than 200,000 in the years since the revolution. We have been concerned about health and about many things.

But there really has not been an awareness of this problem, this new need which is becoming more and important a social need -- and it is a big need. And little has been done about it. That is the truth. Therefore, it seems important to me that this report be brought to this National Assembly so that we become aware and concerned about this serious problem. Moreover, it is a large problem. [end recording]

Flavio Bravo Pardo Speaks

FL052010 Havana Domestic Service in Spanish 1803 GMT 5 Jul 84

[Text] The sixth regular meeting of the National Assembly of the People's Government [ANPP] began this morning in Havana in the presence of Commander in Chief Fidel Castro, president of the Councils of State and Ministers. Flavio Bravo Pardo, ANPP president, made the opening speech. He said that 474 deputies or 96.8 [as heard] percent of the total number of ANPP deputies were present at the meeting.

Flavio Bravo spoke of the complicated international situation caused by Reagan's reactionary policies and obstinate arms race, and his preparations for a nuclear war that would mean the end of the human race. He pointed out the attempts of the present U.S. Administration to attain military superiority, its ferocious anti-Soviet attitude, and its threats to intervene in different parts of the world.

At the sixth regular meeting of the National Assembly, ANPP President Flavio Bravo Pardo mentioned the Reagan administration's threats to intervene against Cuba, El Salvador, and Nicaragua.

He said that our people are engaged in a great, efficient productive effort at the same time that all Cuban men and women are preparing with patriotic ardor to defend the nation as their most sacred duty. He spoke of the work being done to instruct the people so that everyone will know his role in a people's war to kill any invaders that dare to attack us.

The ANPP deputies observed one minute of silence in honor of (Raul Lopez Zumarriega), who represented the Carlos Manuel de Cespedes Municipality, Camaguey Province, and who has just died.

The decrees promulgated at the last meeting of the National Assembly and the proposal to elect new members to the Supreme People's Tribunal were approved this morning during the sixth regular meeting of the National Assembly.

Deputy Adolfo Valdivia read a summary of the institutional care of the aged, and this subject was debated at length by the 474 delegates.

The minister of the food industry will report on the performance of his ministry during the last few years. The ANPP delegates present will also debate today studies on legislation related to women and children and the situation of adolescents 13 to 16 years old who do not attend school.

MEXICAN POLITICAL PARTY DELEGATION ARRIVES

FL051150 Havana Domestic Service in Spanish 1000 GMT 5 Jul 84

[Text] A Mexican delegation from the State of Michoacan has arrived in Havana invited by the Peoples Government National Assembly [ANPP]. The delegation will visit places of interest in Havana and in the Provinces of Havana, Matanzas, and Santiago de Cuba during its week long stay. The 11-member delegation represents the Socialist Movement for Action and Unity, United Socialist Party of Mexico, and the Institutional Revolution Party political parties.

CIA PREPARING NEW ACTIONS AGAINST NICARAGUA

PA060407 Havana International Service in Spanish 0000 GMT 6 Jul 84

[Report by Alberto Rabilotta, PRELA correspondent in Montreal]

[Text] It would seem as if the Sandinists will be the last to laugh at the CIA stories, an editorial in THE GAZETTE daily said today commenting on Washington's new terrorist campaign against Nicaragua.

The CIA has prepared, printed, and distributed, through Nicaraguan counterrevolutionaries, an illustrated pamphlet on how to sabotage the Nicaraguan economy. In its 16 pages, the manual shows 38 ways to sabotage the economy and the government. Even though some of the sabotage and terrorism methods proposed in the CIA manual appear to have been written by destructive students at any U.S. high school, there are some that are terrorists recipes, the paper states.

The manual suggests putting sand in gasoline tanks, cutting telephone lines, throwing Molotov cocktails at police stations and oil reservoirs, causing short circuits in electrical systems, and stealing from state-owned food supplies. Simply, this seems to be the latest U.S. clandestine attempt to topple the Sandinist government, THE GAZETTE adds. Last spring it was revealed that the CIA was behind the mining of Nicaraguan ports.

THE GAZETTE says that the CIA plans against Nicaragua are backfiring, and adds that the International Court of Justice at The Hague rendered a decision in favor of Nicaragua so that the minings would end. Meanwhile, in the U.S. Congress the U.S. role in Central America led the Senate to reject the Reagan administration's $21 million request for the counterrevolutionaries. Now that this new CIA strategy has been revealed there is the possibility that it also will backfire. The image of CIA agents spreading subversive manuals goes against the Reagan administration's statement that its objective is not to topple the Sandinists, but to simply control the heretofore unproven arms flow from Nicaragua to the Salvadoran guerrillas, the newspaper adds. The editorial ends by stating that this new CIA adventure makes Reagan's statements on terrorism sound more or less hyprocritical.

NICARAGUAN COMMANDER CITED ON MILITARY TRAINING

PA021508 Havana International Service in Spanish 0000 GMT 1 Jul 84

[Report by PRENSA LATINA correspondent Luis Cabrera]

[Text] Nicaragua is strengthening its rearguard, and an active rearguard means more trained men leading the battle. This was said by Guerrilla Commander Dora Maria Tellez, political secretary for Managua, in reference to activities that all of the people should carry out in defense of the fatherland. She was bidding farewell to the "Heroes and Martyrs of the Insurrection" contingent, made up of young people performing Patriotic Military Service who will receive military training for 3 months, after which they will be incorporated into the various Patriotic Military Service units and then into the Sandinist People's Army.

The students emphasized: We are responding to the call made by the fatherland. We are prepared to fight whereever we are needed. Commander Tellez, referring to the military training to be received by the recruits, said that assimilation of modern military tactics requires strict discipline. Therefore, the recruits must expect iron discipline, because only in this way can Nicaragua be certain that its sons will defend the revolutionary government's achievements and advances until death.

The commander added that the discipline acquired in the training will initially require sweat, but in the long run this will be compensated for by less bloodshed in battle. She also emphasized that more men must be trained daily to fight U.S. imperialism, because only such trianing will avert a direct U.S. attack on Nicaragua.

NICARAGUA's RAMIREZ DISCUSSES FOREIGN DEBT ISSUE

PA032157 Havana International Service in Spanish 0000 GMT 3 Jul 84

[Report by Luis Cabrera, PRENSA LATINA correspondent in Managua]

[Text] Nicaragua will pay its foreign debt, but without detriment to the Sandinist revolution's basic plans, Dr Sergio Ramirez Mercado, member of the Junta of the Government of National Reconstruction, said during a special ceremony held with members of the National Financing System. Ramirez said that the foreign debt is an unbearable buden on the national economy, which is also obliged to face up to U.S. military agression. In view of this, Nicaragua will pay its foreign debt, but without sacrificing the basic plans that are designed to guarantee food for the people and provide national defense.

Ramirez said: If we must choose between paying the foreign debt and guaranteeing food for our people, we will choose the latter without hesitation. Ramirez made the comment on opening the third national meeting of executives and managers of the National Financing System. He also discussed the role of banks in the economic and social changes being made by the Sandinist peoples revolution. On this subject he noted the urgency and importance of giving priority to the expeditious granting of credit to farming cooperatives and individual farmers in the regions pinpointed for priority treatment by the revolution: Regions 6, 5 and 1. Ramirez said that the immediate goal of the financial apparatus is to improve the way credit is handled in those regions and speed up the system for granting financing to farmers. He said that under the agrarian reform program, large amounts of land will be handed over to farmers, thus increasing the demand for funds and other resources to work the land.

REPORT ON ACTIVITIES OF PERU'S SHINING PATH

PA051629 Havana International Service in Spanish 0000 GMT 5 Jul 84

[Report by PRELA correspondent Abel Sardinas, from Peru]

[Text] The prolonged power outage affecting important sections of Lima since Sunday night has accentuated the effect of the offensive that the Shining Path organization has been engaged in for more than 10 days. The outage, which initially left the entire city of Lima without power, continued to affect the downtown area and other densely populated sections of the capital, even as this report is being sent. The power outage, according to authorities, was caused by a systems overload in the Santa Rosa energy station, where fire followed an intense explosion. Lima residents, however, have not dismissed sabotage as the true cause of the problem.

Shining Path took advantage of the Monday night outage by killing one policeman and wounding another and hurling dynamite sticks against the National Bank [Banco de la nacion], the Economy and Education Ministries, and the Peruvian Telephone Company buildings, all in downtown Lima. That same night, a high-tension tower was blown up in a Lima nieghborhood and there was an attempt to blow up another, while in the hills near the city blazing torches were lit to form the shape of the Shining Path symbol.
The clashes and attempts that have taken place since 22 June have claimed a toll of 15 dead, including 5 Army soldiers and 10 policeman, as well as many wounded. The number of casualties among the Shining Path and peasants has not been confirmed because of the contradictory nature of the reports and the unreliability of the sources. A train carrying minerals and many bridges have been blown up. The destruction of one bridge has servered train traffic between Lima and the central Andes region. Power outages have taken place in the cities of Ayacucho, Ica, Huanta, and throughout Junin Department. The government has reacted by conducting violent raids in which hundreds of people have been arrested, without any noticeable success, and by stepping up police security in (?tourist) areas and other important sectors. Meanwhile, the National Defense Council is weighing the possibility of imposing a state of siege in the emergency area that encompasses Ayacucho and Huancavelica Departments and part of Apurimac Department and declaring other parts of the country in which Shining Path has intensified its actions emergency areas. It is also considering the possibility of increasing the Army Forces' participation in the struggle against this clandestine organization, which so far has been confronted mostly by the police.

26 MARCH REPRESENTATIVE ON URUGUAYAN SITUATION

PA011935 Havana International Service in Spanish 0000 GMT 29 Jun 84

[Remarks by (Nino Ruffo), representative of the Uruguayan 26 March Movement; date, place not given]

[Text] (Nino Ruffo), a representative of the Uruguayan 26 March Movement, will speak on the overall situation in that South American country.

[Begin recording] For our 26 March Independent Movement the current situation in Urugua is characterized by an ever-growing confrontation between the Armed Forces, currently in power, and the people's movement -- a confrontation with an unforeseen end and with all signs indicating that the struggle will become more acute. [end recording]

As is known, the Uruguayan dictatorship recently enforced various political strategies aimed at deceiving the people. (Nino Ruffo) discusses this.

[Begin recording] After 11 years the Armed Forces are trying to repeat a cycle in Uruguay practiced by other Latin American dictatorships and today practiced by neighboring dictatorships. This cycle can be explained as follows; once the organized people's movement threatens the interests of the oligarchy and imperialism, these sector call on the Armed Forces to repress the people's movement and defend their interests at the cost of a brutal repression and at the cost of overlooking the ways of liberal democracy that they defended so strongly in the past. Once the danger has passed, once it i believed that the people's movement has been essentially repressed and no longer constitutes a danger to the power, the Armed Forces call on some known politicians for them to take over the theater of the country's small politics. [end recording]

Regarding the current regime's repression and the tenacious resistance of the people, the representative of the 26 March Movement told Radio Havana:

[Begin recording] Of course, there are two factors. There is the presence of the people's movement, especially of the young people who have been increasing their mobilization since 1980. They have been going into the streets not only in authorized demonstrations as the initial ones, but also in spontaneous ways that in many cases have led to repression by the Armed Forces. However, another important factor must be kept in mind. There is a preconceived plan drawn up by the dictatorship from its position of power. One cannot say, for example, that a dictatorship like the Brazilian one that began near the end of 1978 and the beginning of 1979 was a weak dictatorship. Instead, it was a dictatorship confronting problems and one that drew up a political plan in view of such problems. It was not a dictatorship whose power was threatened by the presence of a strong people's movement. This is similar to what is occuring in our country. The dictatorship has drawn up a similar plan whose objectives are very clear. The objectives are based on the Armed Forces leadership and the ruling sectors' analysis of the fact that sooner or later the Uruguayan people's movement will once again seriously threaten their interests. In view of this and from their position of power, they have drafted a plan. [end recording]

Replying to a question on the current Central American situation, (Nino Ruffo) said:

[Begin recording] Our 26 March Independent Movement realizes that the struggle in Latin America is a single one that is carried out in each country against the same enemy: imperialism and the oligarchies. For this reason, we can totally identify with the struggle currently being waged against imperialism by the brother peoples of Central America, Nicaragua, El Salvador, and Guatemala. Moreover, we try to learn from those struggles because if U.S. imperialism is capable of undertaking such an impressive military deployment to repress and smother the Nicaraguan revolution with blood and to try to crush the struggle of the Salvadoran and Guatemalan people, we ask ourselves what won't it do when it has to defend its many interests in Latin America's southern cone. That is why our people not only express their solidarity with the Nicaraguan revolution and with the Salvadoran and Guatemalan peoples, but they also learn valuable experiences from them that will serve to firmly stop the warmongering and repressive hand of imperialism and the oligarchies in Latin America's southern cone in the future. [end recording]

COB GENERAL STRIKE PARALYZES BOLIVIA

PA052133 Havana International Service in Spanish 1600 GMT 5 Jul 84

[Text] Dispatches from La Paz note that Bolivia awoke this morning paralyzed by an indefinite general strike organized by the Bolivian Labor Federation, COB.

Prior to the strike, the COB issued a document stating that the strike had been called because Hernan Siles Zuazo's government has not adopted measures to end the country's difficult economic situation. The document added that Bolivian labor sectors have lost their patience and warned that they will not allow more evasions of their economic demands.

COB's Secretary General Oscar Sanjinez said that the strike should not be interpreted as a break with the government, but as a call to prompt the government's reaction. He added that the COB did everything in its power to prevent this drastic measure, but that the documents delivered by the authorities last Wednesday are not in accordance with the agreements reached with this organization.

NICARAGUA'S D. ORTEGA SENDS MESSAGE TO U.S.

PA052312 Havana International Service in Spanish 1800 GMT 5 Jul 84

[Text] Commander Daniel Ortega, coordinator of the Nicaraguan Junta of the Government of National Reconstruction, has sent a message to Washington on behalf of the Nicaraguan Government and people on the occasion of 4 July, the 208th anniversary of the 13 American colonies' independence. The text of the message stresses that 5 years ago Nicaragua initiated the effort to achieve and consolidate the inalienable right to life, liberty, happiness, national sovereignty, and self-determination, just as Americans did more than 2 centuries ago. However, the note states, in a tragic reversal of its basic principles, the current U.S. Government tries to put an end to Nicaragua's efforts to construct a democracy that defends national sovereignty and the people's right to self-determination. The United States, the note continues, violates the international judicial order, uses force illegally, and spreads terror, destruction and death on Nicaragua's border areas which, it adds, constitutes a violation of the principles that originated on U.S. territory 208 years ago.

CARICOM GRANTS OBSERVER STATUS TO 3 NATIONS

FL051830 Bridgetown CANA in English 1709 GMT 5 Jul 84

[By Trevor Simpson]

[Text] Nassau, Bahamas, July 5 CANA -- Caribbean Community (Caricom) leaders meeting here have agreed to grant observer status in their 13-nation English-speaking grouping to the Dominican Republic, Haiti, and Suriname, high level sources disclosed today. This was among the less contentious agenda items cleared at yesterday's first 2 1/2 hour caucus session described by one leader as very cordial.

"Suriname, Haiti and the Dominican Republic are to be allowed to (participate in) certai of our ministerial standing committees including education, health, and agriculture," th sources told CANA. But with such decisions requiring unanimity among all member states, the sources added, the proposal will need the concurrence of St Vincent and the Grenadines and Montserrat, the two Caricom states absent from the meeting.

Bahamas Prime Minister Sir Lynden Pindling alluded to the leaders' discussion on the issue at a press briefing last night. "There seems to be a consensus gathering to involve more Caribbean countries (and) I would not be surprised if at the end of the day applications that have been made, particularly by Haiti, the Dominican Republic, and Suriname, would have gained some form of consideration," Pindling said.

Haiti (French), the Dominican Republic (Spanish), and Suriname (Dutch) would be the first non-English speaking countries with official status in Caricom. The Caribbean Community groups only present and former British colonies.

The heads of government discussed the question of security of small states and agreed to coordinate their position after a forthcoming Commonwealth meeting on the subject in London, the sources said.

Yesterday's caucus session also saw the start of deliberations on recommendations for restructuring Caricom economies, most of which are now labouring under severe foreign exchange and balance of payments constraints. One prime minister told CANA the recommendations, which include currency devaluations and layoffs in the interest of higher efficiency and improving Caricom competitiveness over a four' to six-year period, were "political hot potatoes," but were vital to regional economic survival. "Devaluation will of course push up the cost of living but it would make our goods more competitive. Increasing efficiency may mean closing down some operations or cutting manpower," the leader told CANA.

The report under consideration was commissioned by the Caricom leaders at their summit in Trinidad and Tobago last July. Its main author is eminent Trinidadian economist and President of the Barbados-based Caribbean Development Bank William Demas.

Jamaica is the only Caricom member state which has already embarked on a large scale programme of structural adjustment of its economy, devaluing its currency by more than 60 per cent in the last eight months, laying off scores in the public sector, and freeding up its market to improve competitiveness.

At yesterday's official opening of the summit here Barbados Prime Minister Tom Adams publicly urged his regional counterparts to summon the political courage to curb national ambitions and give the "promptest possible implementation" to the recommendations. The heads have so far taken no decision on the Demas report which is expected to go before them in plenary session possibly tomorrow, the sources said.

CARICOM TRADE MINISTERS FAIL TO REACH CONSENSUS

FL041554 Bridgetown CANA in English 1511 GMT 4 Jul 84

[Text] Nassau, Bahamas, July 4, CANA -- A crucial meeting here of Caribbean Community (Caricom) trade ministers went into an unscheduled second day today having failed despite last night's late session to unravel knotty problems that have depressed intra-regional trading levels in the last 18 months. Conference sources said the ministers, who met until 1:30 this morning, have not yet reached consensus on the final make-up of a list of regionally made products for which the 12 Caricom common market states are to provide special protection against goods now imported from abroad.

If implemented, officials say this policy, along with similar arrangements for garments and primary agricultural produce, could provide the fillip needed for intra-Caricom trade, which declined by some 200 million E.C. dollars from 1.5 billion to 1.3 billion last year (one EC dollar; 37 cents U.S.).

Before the meeting is a 26-item list that ranges from biscuits to motor cars, in an effort to ensure that goods from all member states are represented.

Though trade among Caricom member states amounts to only about 10 per cent of their overall total, it accounts for some 50 per cent of the jobs in the factories in the common market.

The trading difficulties as well as related payments problems are expected to be the main agenda items for Caricom heads of government who open a four day summit here today.

The trade ministers were expecting to come up by today with firm recommendations to go before the heads. But as it stands the ministers now plan to resume their session after this morning's opening ceremony for the summit.

CARICOM FINANCE MINISTERS MEET ON REVIVING TRADE

FL051630 Bridgetown CANA in English GMT 5 Jul 84

[Text] Nassau, Bahamas, July 5, CANA -- Caribbean Common Market (Caricom) finance ministers meet here today to tackle the vital question of reviving the 100-million-dollar (U.S.) credit facility that supports trading among member states.

Collapse of the so-called Caricom Multilateral Clearing Facility (CMCF) April last year is partly blamed for a 13.3 per cent or 200 million E.C. dollar (one E.C. dollar; 37 cents U.S.) decline in intra-regional trade in 1983, and the resulting loss of factory jobs.

High level sources here said this morning the ministers will seek to find out why Trinidad and Tobago, Caricom's richest member state, failed a year ago to come up with promised funds to permit the operation of the CMCF to resume.

The eight-year-old CMCF, which reduced the need for foreign exchange in intra-regional trading, went bust after financially beleaguered Guyana ran up debts amounting to some 98 per cent of the fund.

Trinidad and Tobago had agreed at last year's Caricom heads of government summit to lend Guyana 12.2 million dollars (U.S.), which would have been used to help offset Barbados' heavy credit in the CMCF -- then about 65 million dollars (U.S.).

A Caricom finance ministers meeting called for last month in Barbados to deal with the issue fell through for a lack of a quorum. Trinidad and Tobago whose presence was crucial to the deliberations, was among the countries which did not send representatives.

Port-of-Spain is known to be miffed about what it says is a continuing adverse trade balance with its Caricom partners, more than half of whose intra-regional domestic exports are absorbed by Trinidad and Tobago. And yesterday Trinidad Prime Minister George Chambers bluntly told his regional counterparts assmebled here for a heads of government summit that he was sick and tired of their criticism of his administration's economic policies after all that Port-of-Spain had done for Caricom.

Revival of the CMCF is critical to current efforts to resuscitate intra-regional trade, a major agenda item at the Caricom summit which moves into its second day today. According to official figures, intra-Caricom trade fell from E.C. 1.5 billion dollars in 1982 to 1.3 billion last year.

ADDERLEY RAPS U.S. AT CARICOM MINISTERS MEETING

FL021726 Bridgetown CANA in English 1615 GMT 1 Jul 84

[Text] Nassau, Bahamas, July 1, CANA -- In what is being seen here as a blast at the United States, the Bahamian Foreign Minister Paul Adderley has lashed out against "some states in the international community" which use their agencies in an attempt to "impose their policies, hegemonism, and laws upon other sovereign states."

Relations between the Bahamas and the United States have been strained in recent months in the face of what the administration of Prime Minister Lynden Pindling sees as American attempts to destabilize the country. U.S. television allegations that Bahamian Government officials, including the prime minister, had taken bribes to protect drug smugglers is believed by Bahamian officials to be part of the plot. Pindling has set up a commission of inquiry to look into the drug corruption charges.

At the opening of the Carribean Community (Caricom) foreign ministers meeting here yesterday, Adderley spoke of the problems of small states with giant neighbours. He said they found it difficult to maintain their "sovereign identity, political independence, and territorial integrity."

The Bahamas, which is just south of Florida in the United States, was particularly vulnerable in this regard, Adderley said. Added the foreign minister, 'there remain some states in the international community which seek, through their various judicial and economic agencies, to impose their policies, hegemonism, and laws upon other sovereign states. "The extra-territorial extension of domestic laws is unacceptable as it ignores the fundamental principles of international law and the sovereign equality of states provided for under the Charter of the United Nations."

Adderly said that such policies demonstrated a complete lack of respect for the "laws, policies, rights, and interests of other states and have very serious implications for orderly development."

"This is particularly important in the case of small developing states, for it undermines social and economic progress and disrupts political stability, all of which are crucial variables in the process of development," he added.

Speaking before the commission of inquiry yesterday, Prime Minister Pindling complained that the United States had not allowed 19 officials to testify. Their testimony would help to get to the bottom of the issues, Pindling said. Of the U.S. failure to allow them to testify, Pindling said, "It is just another example of a general unwillingness to cooperate to the fullest with the Bahamian authorities."

PINDLING OFFERS VIEWS ON COOPERATION WITH CARICOM

FL060108 Bridgetown CANA in English 2358 GMT 5 Jul 84

[By Paget Defreitas]

[Text] Nassau, Bahamas, July 5, CANA -- The Caribbean Community's (Caricom) newest member, the Bahamas, considers the countries of the region its natural allies and wants to deepen relations with them, according to the Bahamian prime minister, Sir Lynden Pindling.

The Bahamas last year signed the instruments acceding to the community, but operates only within the functional cooperation aspects of the treaty. Because of the structure of its economy, relying mainly on tourism and offshore banking, it is not a member of the common market, Caricom's basic pillar. The Bahamas is just south of Florida and outside the Caribbean chain of island states, and their geography has put the 700 islands and cays outside the mainstream of the West Indian unit.

But according to Pindling, who is chairing the fifth summit here of Caricom leaders, his government is moving to change that. "I would say if you were to ask the ordinary man in the street he would probably wonder why we are talking about Caricom, regional integration, and all that," he said. But as leaders, the prime minister added, it was the obligation of government to point out what "we think is best for our people in the medium and long term." He added: "We think that closer and closer cooperation with our colleagues, particularly those in countries with common political, social, and historical backgrounds, can only enure [as received] to the benefit of the Bahamas."

"Further, in times of difficulties, anybody and any country would need a good friend, and our natural allies are our brothers and sisters in the Caribbean."

At present the Bahamas' particular difficulty is its quarrel with the United States and Pindling's charge of "economic aggression" directed against his country. The Bahamas is an important offshore banking centre and, according to Pindling, the U.S. Internal Revenue Service has been attempting "to apply its rules within our jurisdiction."

Banking and official sources say that if the Bahamas were to allow financial disclosures, it could cause panic in the offshore banking sector that could lead to a collapse. The same fear has prevented the Bahamas and other countries in the region with hopes of establishing offshore banking centres from concluding double-taxation agreements with the United States so long as Washington maintains its insistence on a disclosure clause.

Pindling's special concern is being discussed here within the context of the security of small states, on which a document has been prepared by the Bahamas.

This is not the particular context from which security is being approached by the countries of the east Caribbean, such as Barbados, St Lucia, and Dominica, which have been thinking in terms of a regional security force to deal with "threats," both internal and external, of a militaristic nature.

TALKS CONTINUE ON CONDITIONS FOR IMF LOAN

FL051146 Hilversum International Service in English 1000 GMT 5 Jul 84

[Text] High-level talks are continuing in Paramaribo on conditions for a loan from the IMF. Along with Army leader Bouterse, government officials and financial advisers are participating in the talks. At a press conference on Tuesday, Bouterse had announced that the severe conditions imposed by the IMF made it impossible for Suriname to proceed with negotiations on the loan.

The Surinamese C-47 Trade Union Federation had already expressed its disapproval of the transaction. However, in financial circles in Suriname, the loan is seen as a necessary remedy for the country's economic problems.

BOUTERSE SEEKS TO HEIGHTEN NICARAGUA TIES

FL051230 Bridgetown CANA in English 1200 GMT 5 Jul 84

[Text] Paramaribo, July 5, CANA-REUTER -- Suriname's military leader Desi Bouterse has said he will discuss prospects for expanding relations with Nicaragua during a forthcoming visit to the Central America country. He said he had accepted an invitation to attend celebrations later this month marking the fifth anniversary of Nicaragua's left-wing revolution. Both countries were involved in a revolutionary process and faced a common enemy which supported counterrevolutionary activities, he said, without elaborating. Bouterse was speaking at a news conference reported by the official SURINAME NEWS AGENCY (SNA).

The Surinamese leader, who came to power after a military coup in February 1980, has taken the country on a left-leaning course. However, Bouterse cooled relations with Cuba after last October's U.S.-led Grenada invastion, expelling around 100 Cuban officials.

At his news conference, Bouterse also sharply criticised economic conditions urged by the International Monetary Fund (IMF) in return for balance of payments support. Last year Suriname negotiated tax increases sparked protests which led to strikes that affected the country's vital bauxite and alumina industry. Talks were subsequently broken off. The government has since reopened negotiations with the Fund, but Bouterse said he rejected some conditions related to import controls. He said he supports subsidies on essential goods and continuing regulation of imports, while the IMF has recommended a devaluation of the Suriname guilder and relaxation of price controls. "We must try to bring our imports and exports into balance. Besides this, efforts will have to be made to obtain foreign exchange by increasing exports, and perhaps by obtaining loans and through economic cooperation," he said.

2-DAY HYDROENERGY RESOURCES SEMINAR CONCLUDES

FL041930 Bridgetown CANA in English 1913 GMT 4 Jul 84

[Text] Paramaribo, Suriname, July 4, CANA -- A two-day seminar on the evaluation of hydroenergy resources in the Caribbean ends here today. Delegates attending from Guyana, Haiti, and Suriname are trying to determine their hydroenergy resources with the help of experts from the Latin American Energy Organisation (OLADE).

The seminar was opened yesterday by Suriname's Minister of Natural Resources and Energy Erik Tjon Kie Sim.

ECUADOR

ENERGY MINISTER ON OIL-PRODUCING NATIONS' POLICY

PA031511 Quito Voz de los Andes in Spanish 1130 GMT 3 Jul 84

[Text] Ecuador will support maintaining current prices of crude oil, while it will demand that the industrialized nations revert their interest rates to levels prior to the latest increase during the OPEC's annual meeting that will take place soon. Venezuela, which along with Mexico and Trinidad and Tobago are Latin American oil-producing nations, will endorse Ecuador's position. The Ecuadoran minister of natural resources and energy, who will attend the OPEC conference in Vienna, said that in a recent meeting of the Latin American oil-producing nations in Port-of-Spain, it was agreed that the policies of the oil-producing nations must be consistent with those of the developed nations, based on the thesis that if crude prices are maintained, the developed nations will be able to sustain an economic recovery. He indicated that the developed nations have not observed this conduct, in view of their decision to increase interest rates to the detriment of the oil producers' economies.

Departs for OPEC Meeting

PA040443 Quito Radio Quito in Spanish 2300 GMT 3 Jul 84

[Report by (Salomon Flores)]

[Excerpt] Gustavo Galindo Velasco, Ecuadoran natural resources and energy minister, left for Europe this afternoon to attend a meeting on fishery and an OPEC consultative meeting. Before departing from the Mariscal Sucre International Airport, Galindo Velasco said that the Ecuadoran stance will be that the current world oil prices and production should be maintained. He added that by late this year the world will experience an increase in crude oil production. Gustavo Galindo said that Ecuador will report that oil production has been increasing recently and that Venezuela and Ecuador will have a common stance before OPEC.

PARAGUAY

7 JULY MOPOCO PLENUM NOT AUTHORIZED BY GOVERNMENT

PY060114 Asuncion ULTIMA HORA in Spanish 5 Jul 84 p 10

[Text] A plenum of the Popular Colorado Movement [MOPOCO] that was scheduled for 7 July at 1100 has been banned. Police officer Faustino Ramon Benitez, chief of the Public Order Department of the police of the capital, personally informed Miguel Angel Gonzalez Casabianca, MOPOCO's leader, of the decision during a meeting he had called. Gonzalez attended the meeting at 1100 in the company of Cesar Stumps, another MOPOCO leader.

At the end of the meeting Gonzalez indicated that the police officer showed him the government resolution explaining why the plenum cannot be held. Regarding this point, he stated: "This measure annuls the promises that Police Chief General Alcibiades Britez himself gave us when we returned to the country in that all our political activities would be permited as long as we obeyed all the legal orders that are currently in force and that we gave 48-hours advance notice before holding a meeting inside a building. Now the police officer has told me that permission has been refused. This is a dirty trick, but legal."